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3 June 1980

SOUTH AND EAST ASIA REPORT

No. 897

CONTENTS

INTER-ASIAN AFFAIRS

| | | |
|---------------------------------|--|---|
| Briefs | | |
| Pakistan-Bangladesh Cooperation | | 1 |
| Pakistan-China Accord Extended | | 1 |

BANGLADESH

| | | |
|----------------|--|---|
| Briefs | | |
| FRG Assistance | | 2 |

INDIA

| | |
|--|----|
| Communists, Congress(U) Plan Cooperation (THE PATRIOT, 1 Apr 80) | 3 |
| Joint Space Research Plan With Soviet Union Reported (THE PATRIOT, 1 Apr 80) | 5 |
| ROK Foreign Minister Suggests Joint Ventures (THE PATRIOT, 1 Apr 80) | 6 |
| CPI Leader Explains Stand on Unity With CPI(M) (THE STATESMAN, 7 Apr 80) | 7 |
| Revolutionary Socialist Party Opens Conference (THE STATESMAN, 7 Apr 80) | 8 |
| Versova Chief Notes RSS Campaign To Attack Marxists (THE PATRIOT, 7 Apr 80) | 9 |
| Vigilance Against North-East Insurgents Urged (Editorial; THE TIMES OF INDIA, 7 Apr 80) | 10 |

| | |
|---|----|
| Friendship Association With GDR Holds Parley (THE PATRIOT, 7 Apr 80) | 12 |
| Minister Says States Opposed to National Power Grid (THE HINDU, 7 Apr 80) | 14 |
| Chief Ministers Hold New Delhi Conference (THE HINDU, 9 Apr 80) | 16 |
| Center Advises States on Police Use of Firearms (THE STATESMAN, 7 Apr 80) | 18 |
| Paper Gives Details of Delhi Police Reshuffle (THE PATRIOT, 10 Apr 80) | 19 |
| 'Indigenous' Research and Development Urged (Editorial; THE HINDU, 8 Apr 80) | 20 |
| CPI Theoretician Calls Party 'Liquidationist' (THE STATESMAN, 8 Apr 80) | 22 |
| Karnataka, Other States, Ready for '81 Census (THE TIMES OF INDIA, 8 Apr 80) | 23 |
| Army Ordnance Director Talks to Press (THE TIMES OF INDIA, 8 Apr 80) | 24 |
| Kashmir Government Studies Reports on Arms Supply (THE PATRIOT, 9 Apr 80) | 26 |
| Electoral Rolls To Be Updated Each January (THE HINDU, 9 Apr 80) | 27 |
| Gandhi Exhorts People To Practice Austerity (THE HINDU, 9 Apr 80) | 29 |
| Text of Interview With Czechoslovak Foreign Minister (THE PATRIOT, 9 Apr 80) | 31 |
| Scheduled Commercial Banks 1979-80 Operations Reported (THE PATRIOT, 10 Apr 80) | 34 |
| Sabotage Alleged in Top Priority Defense Project (THE TIMES OF INDIA, 10 Apr 80) | 36 |
| Development of Technology for Rice Production Urged (THE HINDU, 10 Apr 80) | 38 |

| | |
|---|----|
| Seminar Discusses Relations With Malaysia (THE TIMES OF INDIA, 10 Apr 80) | 40 |
| Rajasthan Forms Court for Anti-Harijan Crimes (THE TIMES OF INDIA, 10 Apr 80) | 42 |
| 'APP' Reports Further on 'UNI' Interview With Dalai Lama (Dilip Ganguly; APP, 14 May 80) | 43 |
| White Paper on Link Canal Scheme Planned (THE STATESMAN, 9 Apr 80) | 45 |
| Tata Steel Official on Successful Operations (M. H. Jadhav; THE STATESMAN, 8 Apr 80) | 47 |
| Details of Water Traffic Pact With Bangladesh Given (THE STATESMAN, 7 Apr 80) | 49 |
| Seminar Urges Additional Wheat Storage Facilities (THE TIMES OF INDIA, 10 Apr 80) | 50 |
| Record Cotton Crop Achieved Despite Drought (THE STATESMAN, 9 Apr 80) | 52 |
| Briefs | |
| Haryana Police Changes | 53 |
| Rourkela Steel Production | 53 |
| Jute Seed Supply | 53 |
| Swaran Singh Expulsion | 54 |
| Envoy to Malta | 54 |
| Cultural Pact With Portugal | 54 |
| Aliens in Meghalaya | 54 |
| New Manipur Party | 54 |
| Cooperation With UK | 55 |
| Medium Enterprise Conference | 55 |
| Soundarapandian Forms Party | 55 |
| Press Commission Chairman | 55 |
| Tamil Daily Returns | 56 |
| French Economic Aid | 56 |
| Methura Oil Refinery | 56 |

LAOS

| | |
|-----------------------------|----|
| Briefs | |
| Starchy Crops in Khammouan | 57 |
| Paksan Rice Sales Khammouan | 57 |
| Luang Prabang Rice Sales | 57 |

NEPAL**Briefs**

| | |
|-------------------------|----|
| Nepal-Tibet Trade | 58 |
| Air Link With Lhassa | 58 |
| Foreign Exchange Income | 58 |

PAKISTAN

| | |
|---|----|
| Pakistan Should Be Self-Sufficient in Defense Needs (Editorial; JASARAT, 19 May 80) | 59 |
| Russian Leader's Statement Criticized (Editorial; JASARAT, 20 Mar 80) | 61 |
| Boost for Baluchistan Discussed (Editorial; MORNING NEWS, 10 May 80) | 63 |
| Consultative Body for Overseas Firms Suggested (THE MUSLIM, 13 May 80) | 65 |
| Islamic Bank Center To Be Set Up in Karachi (THE MUSLIM, 13 May 80) | 66 |
| Over 90 Percent of Property Owners Evading Taxes (Sikander Hayat; THE MUSLIM, 14 May 80) | 67 |
| Administration of Export Industry Needs Development (THE MUSLIM, 14 May 80) | 68 |
| Country Has Potential for More Joint Ventures (THE MUSLIM, 15 May 80) | 69 |
| Country's Monetary Position Improves (Jawaid Bokhari; THE MUSLIM, 18 May 80) | 70 |
| Article Calls for Simple Arithmetic on Cost of Living (M. B. Naqvi; THE MUSLIM, 16 May 80) | 71 |
| Councils Usher in New Era in Tribal Areas (THE MUSLIM, 16 May 80) | 73 |
| Islamic Development Bank Concept, Functions (Qutubuddin Aziz; THE MUSLIM, 18 May 80) | 74 |
| Balance of Payments Deficit in Fourth Quarter (MORNING NEWS, 17 May 80) | 77 |

| | |
|---|-----|
| Faisalabad Council Development Plans (DAWN, 18 May 80) | 79 |
| Fourth Population Census in 1981 (DAWN, 18 May 80) | 81 |
| ECC Approves Steps To Conserve Energy (MORNING NEWS, 16 May 80) | 84 |
| Cabinet Approves Plan for Economizing Use of Electricity (MORNING NEWS, 15 May 80) | 85 |
| Strategy for Uplift of Baluchistan Coal Mines (THE MUSLIM, 16 May 80) | 87 |
| Scientists Will Be Given Incentives (MORNING NEWS, 17 May 80) | 88 |
| Railway Urges Government To Write Off Loan Liability (DAWN, 10 May 80) | 89 |
| Uplift Plan for Railways Chalked Out (MORNING NEWS, 17 May 80) | 93 |
| Foreign Exchange Earning From Rice Exports Increase (MORNING NEWS, 17 May 80) | 94 |
| Increase in Exports Reported in March (MORNING NEWS, 17 May 80) | 96 |
| 'Free Trade Zone' To Compete With 'Bara' (DAWN, 20 May 80) | 98 |
| One Crore Rupees for Baluchistan Forest Development (BALUCHISTAN TIMES, 4 May 80) | 101 |
| Abolition of Cement Agency System Urged (THE PAKISTAN TIMES, 5 May 80) | 102 |
| Irrigation Water Loss Alarming (THE PAKISTAN TIMES, 5 May 80) | 103 |
| Major Storage Facilities in Punjab (KHYBER MAIL, 8 May 80) | 105 |
| Record Wheat Production Expected This Year (KHYBER MAIL, 8 May 80) | 106 |
| Better Prospects for Jute Cultivation Seen (DAWN, 9 May 80) | 108 |

| | |
|---|-----|
| Decrease Predicted in Sugar 1979-80 Production (THE MUSLIM, 12 May 80) | 111 |
|---|-----|

Briefs

| | |
|---------------------------------|-----|
| Patel New Justice | 113 |
| Export Earnings | 113 |
| Sui Gas Savings | 113 |
| Power Capacity To Rise | 114 |
| Islamic Shipping Company | 114 |
| IDA Loan for PICIC | 114 |
| IDA Loan for WAPDA | 115 |
| Bara River Canal | 115 |
| Sleeper Factories | 115 |
| Cement Shortage | 115 |
| Flat Allotments | 116 |
| Refugees' Inflow Increasing | 116 |
| Foreign Currency Interest Rates | 116 |
| Malaysian Minister's Visit | 117 |
| New Budget | 117 |
| Irrigation Schemes Approved | 117 |
| Crime Rate Declines | 118 |
| Training Skilled Workers | 118 |
| Tractors To Be Manufactured | 118 |
| Trade Team to Far East | 119 |
| Muslim Jurists Conference | 119 |
| Irrigation Schemes' Completed | 119 |
| Export Display Centres | 120 |
| UNDP Grant Solar Energy | 120 |
| Chinese Team Leaves | 120 |
| Concentration on Barani Areas | 120 |
| Saudi Aid for Pakistan | 121 |
| Workers Back From Libya | 121 |
| Self Sufficiency in Cement | 121 |
| Sporting Goods Industry | 121 |
| Cement Quota Raised | 122 |
| Exchange Earning | 122 |
| WFP Aid for Rural Uplift | 123 |
| Renovation of Oil Refinery | 123 |
| Gas Supply Report Completed | 123 |

SRI LANKA

| | |
|--|-----|
| Colombo Economic Panel Chief Found Unsuitable (THE STATESMAN, 7 Apr 80) | 124 |
|--|-----|

| | |
|---|-----|
| Factors Behind Fuel Problems Noted (THE STATESMAN, 7 Apr 80) | 125 |
|---|-----|

Briefs

| | |
|-----------------|-----|
| Loan From India | 126 |
|-----------------|-----|

TAIWAN

| | |
|--------------------------------|-----|
| Briefs | |
| Speedpost to South Africa | 127 |
| French Economic Mission | 127 |
| Kuwait Oil Purchase | 127 |
| Oil Tax Cut | 128 |
| Motorcycle Import Restrictions | 128 |
| Toyota Joint Venture | 128 |

THAILAND

| | |
|---|-----|
| Editorial Fears Fund Cutoffs for Refugees (Editorial; SIAM RAT, 1 Apr 80) | 129 |
| Investigation Promised of Guerrilla 'Atrocities' (SIAM RAT, 4 Apr 80) | 131 |
| Irregularities Enrich Provincial Military Recruiters (Pricha Inthawirat; SIAM RAT, 4 Apr 80) | 133 |
| Representatives' Appeal for Removal of General Criticized (Editorial; TAWAN SIAM, 5 Apr 80) | 136 |
| Tax on Tapioca Exporters (DAO SIAM, 4 Apr 80) | 138 |

BRIEFS

PAKISTAN-BANGLADESH COOPERATION--Islamabad, May 13: Pakistan and Bangladesh would explore the possibility of a wider cooperation in the field of agriculture. This was stated at a meeting held between Federal Agriculture Minister Rear-Admiral Mohammad Fazil Janjua and the visiting Bangladesh Agriculture Minister, Maj-Gen (Retd) Nurul Islam here this morning. The Bangladesh Minister was briefed on the Pakistan's agriculture development programmes. Maj-Gen (Retd) Nurul Islam appreciated the progress Pakistan had achieved in wheat and cotton production. He said he would take some varieties of wheat and cotton to his country for experiments. He also said that Bangladesh would seek training facilities in the agricultural institutions of Pakistan. Rear-Admiral Janjua said Pakistan would be glad to extend any kind of assistance to Bangladesh in the fields of agricultural research, training and mechanised farming.--PPI [Text] [Karachi MORNING NEWS in English 14 May 80 p 3]

PAKISTAN-CHINA ACCORD EXTENDED--The Government have extended the validity of Pak-China barter No. 8 of April 21, 1979 upto Sept. 30, 1980, for opening of letters of credit, and upto Dec. 31, 1980 for completing deliveries, it was learnt here. The Commerce Ministry has informed the trade bodies about extension of the barter agreement.--PPI. [Text] [Karachi MORNING NEWS in English 13 May 80 p 5]

CSO: 4220

BRIEFS

FRG ASSISTANCE--Bangladesh will receive 6 crore 37 lakh taka from West Germany for two projects. The two countries signed separate agreements to this effect in Dacca on 28 April. Our representative says: Since 1972, West Germany has given about 1,300 crore taka to Bangladesh for various development projects. [BK101321 Dacca Domestic Service in English 0835 GMT 28 Apr 80 BK]

CSO: 4220

COMMUNISTS, CONGRESS(I) & COOPERATION

New Delhi THE PATRIOT English 1 Apr 80 pp 1, 7

(Text) Bangalore, March 31 (UNI) The CPI-M, the CPI and the Congress (U) have "agreed to make efforts to bring about an anti-authoritarian front to fight the Cong-I and the RSS," CPI-M leader E.M.S. Namboodiripad said here today.

Addressing a press conference, he said this was decided during his recent talks with CPI leader Rajeshwara Rao and Cong-U president Devaraj Urs in Delhi.

It was felt that the three parties should put up a 'common' candidate in the future elections and also contact other parties which were opposed to Cong-I and the RSS he said.

Asked whether they had agreed to fight on a common minimum programme also, Mr Namboodiripad said to the extent possible "we want to reach an agreement on the programme." However, it was "incorrect" to say that an agreement had already been reached on the issue.

Asked whether the "front" would emerge before the forthcoming Assembly elections, Mr Namboodiripad said the three parties would pursue the idea and "I would not like to hazard a guess in view of my experience during the Lok Sabha elections."

He said there would be an agreement among the "front" partners on major issues such as agrarian reform.

No merger now

However, Mr Namboodiripad said that both his party and the CPI were agreed that the time was not ripe for a merger of the two. He said the ground on which they split had not yet been repaired.

Mr Namboodiripad said the merger was never on the agenda and they had only decided to have joint action on certain issues. It was only on this basis

that the communist parties were coming together both at the cadre and the top level. "Beyond this we do not think that the time is mature for a merger," he added.

Mr Namboodiripad said that his party Government in Kerata would not ban the RSS.

"We do not believe in banning anything. We will fight the RSS politically and ideologically."

Addressing a public meeting yesterday, Mr Namboodiripad called upon all Opposition parties in the country except those with communal complexion to join hands to prevent the emergence of "authoritarian rule."

If all other parties had heeded his party's suggestion to come together during the last Lok Sabha elections, the Congress-I would not have come to power, he added.

Mr Namboodiripad said the two-and-a-half-months of Mrs Indira Gandhi's Premiership had shown that she would come out with "still more ferocious and atrocious authoritarian measures."

Mr Namboodiripad said the failure of the Janata Party, the Congress-U and the Lok-Dal to rally together helped the Congress-I to win majority in the Lok Sabha elections. The Janata Party's disintegration into "five factions" was more disheartening than Mrs Gandhi's come back to power, he added.

On the Assam issue, the Marxist leader said the RSS executive at its recent meeting in Nagpur had adopted a resolution making a distinction between Hindus and Muslims who migrated to Assam during the Bangla liberation. It wanted such Muslims to be deported from Assam but pleaded for rehabilitation of the Hindus, he alleged.

Referring to "sons of the soil" theory 'professed' by Karnataka Chief Minister Banda Rao, the Marxist leader regretted that Mr Rao had forgotten that he was not only a Chief Minister but a leader of the party ruling the country. He should know that the 'Shiv Sena' in Maharashtra "used the same theory and created problems."

CSO: 4220

JOINT SPACE RESEARCH PLAN WITH SOVIET UNION REPORTED

New Delhi THE PATRIOT in English 1 Apr 80 p 10

(text) The next three years will see close cooperation between Indian and Soviet scientists in the crucial fields of metallurgy, meteorology and space research, USSR Deputy Minister for Space and Technology L.N. Yefremov told reporters on Monday.

Mr Yefremov had headed a delegation which came to India last week to sign a three-year programme on co-operation between the two countries in basic and applied researches in various fields of science and technology. During their stay in the Capital, the delegation discussed many points with Prof M.G.K. Menon, Head of the Department of Science and Technology.

The discussions, the Soviet Minister said, had been extremely fruitful, and both sides had pin-pointed major areas where Indo-Soviet research cooperation could be beneficial.

In fact, he said, a spontaneous agreement had also been reached between the two sides to celebrate this cooperation in a befitting manner. In Moscow and other cities, exhibitions, seminars and scientific seminars would be organised in 1981 on facets of cooperation between Indian and Soviet scientists. Simultaneously, similar activities would also be held in New Delhi and other Indian cities.

Giving details on some of the fields of research decided on in the three-year agreement, Mr Yefremov listed metallurgy--including the highly sophisticated technologies of corrosion-control and powder metallurgy--energy studies and study of the weather.

The Soviet Union has made significant advances in corrosion control. Metal corrosion is a problem faced by all industries and projects using metalwork, including shipping. In power metal, recent researches have shown that the technology can be used to provide high grade machine tools.

CPD 4220

ROK FOREIGN MINISTER SUGGESTS JOINT VENTURES

New Delhi THE PATRIOT in English 1 Apr 80 p 7

[Text]

When South Korean Foreign Minister Tong Jin Park met Union Commerce Minister Pranab Mukherjee on Monday, the latter suggested joint ventures with Korea in the field of civil constructions in third countries. Mr Mukherjee also urged Korea to import more of Indian drugs and pharmaceuticals.

The trade between the two countries had gone up substantially, the Indian Commerce Minister said, but still there was scope to expand the volume of trade. In this connection he referred to Korea's requirements of basic chemicals, drugs and pharmaceuticals and dyes-anilines.

India's exports to South Korea increased from Rs 10.25 crores in 1976-77 to Rs 20.45 crores in 1977-78 and Rs 23.35 crores in 1978-79. The Indian imports from the Republic of Korea increased from Rs 11.12 crores in 1976-77 to Rs 28.40 crores in 1977-78 and Rs 38.50 crores in 1978-79.

The increase in India's imports is mainly on account of cement, non-metallic minerals, manufacturers and chemicals and allied products. India's main exports to Korea are paper, spices, shelter, mica, metallic ores, leather, jute goods, machine tools and certain other manufactured items.

INDIA'S SUPPORT

During Mr Park's talks with External Affairs Minister P. V. Narasimha Rao, the latter assured India's support and goodwill for a continuing dialogue between South Korea and North Korea and hoped that all their outstanding problems would be resolved in an amicable manner, adds UNI.

They had talks lasting more than 100 minutes.

The two sides also discussed the situation in this region, with particular reference to developments in Afghanistan. Mr Park appreciated India's diplomatic efforts to defuse tension in the region.

CSO: 4220

CPI LEADER EXPLAINS STAND ON UNITY WITH CPI(M)

Calcutta THE STATESMAN in English 7 Apr 80 p 7

(Text)

M R. B. A. Dange has said that all through the unity of the CPI and the CPI(M) is important. It is not an alternative to a wider unity of Left and democratic forces. In a note, the former CPI chairman said that to achieve Left unity the CPI would have to carry out a political-theoretical struggle against the CPI(M)'s "revisionism".

According to the note, the CPI leadership was developing an attitude of surrender to the CPI(M). This had affected the CPI's prestige. Some CPI leaders had even said that the Party had no future and favoured a merger with the CPI(M). By accepting the offer of only three Lok Sabha seats in West Bengal, the CPI had lost its self-respect and it would take a long time for the West Bengal unit to get over this setback.

The note said that instead of succumbing to the CPI(M), the Party should have worked for unity with the CPI(M), the RSP, Prajatantra and Workers Party and others and adopted a flexible policy of minor adjustments with bourgeois parties, including the

Congress (I). The "Opportunistic" alliance with the Lok Dal and the Congress (I) had not joined the party. It had only helped Mrs Gandhi to emerge as a "fighter" for stability and progress. The note said that the followers of Mr Sanjay Gandhi and the reactionaries in the Congress (I) posed a danger.

According to the note, it was a good thing that the Leftist forces, including the CPI and the CPI(M), had not more seats than in 1977, although these gains were confined mostly to West Bengal, Tripura and Kerala. But, it pointed out the Congress (I) had done quite well in Kerala and West Bengal. This was because of the "failure" of the CPI(M) Government in West Bengal and the "arrogant" attitude of that party.

In conclusion, the note said that all differences in the CPI on these questions should be thrashed out through discussions and no "comrades" should be alienated. The CPI rank and file should be convinced about the party's leading role in the Communist movement. The note said.

CSO: 4220

REVOLUTIONARY SOCIALIST PARTY OPENS CONFERENCE

Calcutta THE STATESMAN in English 7 Apr 80 p 9

[Text]

At the open session of the 11th national conference of the Revolutionary Socialist Party, in Calcutta on Sunday, Mr Tridib Chowdhury, its general secretary, called upon all Left and "democratic" parties to overcome their organisational weaknesses and prepare themselves to form a "National Left Front". He said now was the time for the parties in the Left Front to strengthen their unity when the Congress (I) was showing signs of many contradictions.

The recent differences of opinion among leaders of the Congress (I) over the Assam problem, the Chief Ministership of Andhra Pradesh and the election issue in the nine States were clear signs of disintegration in the party, Mr Chowdhury said. But he warned the people against "emergency steps" which had been taken when the party had shown signs of instability.

Mr Chowdhury urged Leftist parties not to make any alliance with capitalist parties in the forthcoming elections. He said making

such alliances merely to survive as an opposition to the Congress (I) would be fatal. Unless efforts were made to overthrow the capitalist system, the Leftist parties would not be justifying their commitments to the people. He felt there was an "awakening" in the villages and said that they should be given an alternative to the Congress (I) and other capitalist forces.

Mr Chowdhury stressed that the Left Front Government had recognized the fundamental rights of a man to work. "But the help extended to the unemployed has been nominal."

Mr Makhan Paul said that instead of making alliances with Janata or the Lok Dal or other capitalist forces, the Left Front should utilize the "in-fighting" in them.

Mr Balirup Sharma, who presided, hoped that the conference, which will continue till April 11, would give a sense of direction to the party. About 450 delegates from Rajasthan, Uttar Pradesh, Maharashtra and other States will attend the conference.

CSO: 4220

KERALA CHIEF NOTES RSS CAMPAIGN TO ATTACK MARXISTS

New Delhi THE PATRIOT in English 7 Apr 80 p 4

[Text] Kochi, April 6 (PTI)--Kerala Chief Minister E.K. Nayanar said yesterday that the RSS had started a campaign in the State to "meet and attack" the CPI-M and had given shape to a "resistance movement" at a 'secret' conference at the temple town of Guruvayur in mid-February."

Addressing a press conference, Mr Nayanar said that the RSS and Naxalite activities to be met 'politically.' But, the RSS was an all-India organisation with greater ramifications, while the Naxalites were divided in groups and were active in pockets, he said. The Congress-I, he alleged, was also indirectly supporting the RSS in the State.

Mr Nayanar alleged that the very "parochial and divisive approach" of the RSS had caused the split in the Janata Party thrice.

However, Mr Nayanar stressed the need to check fissiparous tendencies seen in some parts of the country.

Mr Nayanar said the happenings in Assam and the slogan of "sons of the soil" were bound to strike at the root of national integration. If these tendencies were allowed to spread to other areas, he said, it would sow the seeds of disintegration.

The Kerala Government, he said, had demanded that its share for industries under Plan allocation for the next three years amounting to Rs 30 crores should be made available during the current year.

Mr Nayanar said the allocation for industries under the annual Plan was Rs 10 crores. The State wanted the share for the next two years as well should be made available during the current year. Such an allocation, he said, had been availed of by Andhra Pradesh and Maharashtra.

Mr Nayanar said that such a provision would help the State Government to take up implementation of the Rs 250 crore five-year industrial development plan prepared by the State Industries Development Corporation.

CSO: 4220

VIGILANCE AGAINST NORTH-EAST INSURGENTS URGED

Bombay THE TIMES OF INDIA in English 7 Apr 80 p 6

[Editorial: "Splits Among Insurgents"]

[Text] Instances of murderous in-fighting between different groups of the insurgents in the north-east are increasing. What the disputes are about is not immediately clear in all cases. Apparently, a group claiming faith in Maoism has emerged among the underground Nagas. It is led by Muivah Tangkhul and Issak Svu. But they seem to have alienated other Naga rebels who have so far been loyal to Mr Phizo. More and more of these Nagas are coming overground and renouncing violence. The most prominent among them has been Mr Phizo's son, Kevitzalezo. Reports of frequent shoot-outs between the followers of the self-styled Maoist leaders and others have been received in Kohima from the Indo-Burmese border in recent weeks. Similarly, there has been a major split in the outlawed "people's revolutionary party of Kangleipak (Prepak)," the terrorist organisation which has been responsible for many acts of violence in Manipur in the past year. One of its leaders, Mr Tulachandra Singh, who was arrested a few weeks ago, has called for a halt to the Meitei insurgency. But recently clandestine leaflets accusing him of betrayal and threatening him and his followers with assassination have appeared in Imphal. In Tripura, too, it appears that the differences among the Naxalites have sharpened following the death of Boginda Teli, the leader of one of their factions in a clash with the police last month.

Despite all these splits in the rebel movements, however, the security forces cannot afford to slacken their vigilance. Malcontents will always be tempted to take to arms especially in the north-eastern frontier region where gunrunning has gone on unchecked for decades. On the Indian side of this border, normal administration has been extended to the remotest villages only a few years ago. But a vast mountainous territory on the Burmese side continues to be a virtual no-man's land where Rangoon's writ still does not run. This is why the Indian and Burmese armies have found it hard to coordinate their action against the insurgents effectively. But there is no doubt that the Indian rebels find the going increasingly hard, although they get some help from the Burmese tribes ethnically akin

to them. The pressure on the insurgents must be kept up while, of course, due note must also be taken of every sign of a split among them so that those who genuinely wish to renounce violence do not hesitate to return to normal life. The Manipur chief minister, Mr R.K. Dorendra Singh, did well the other day to reject a proposal urging the revocation of the Armed Forces (Assam and Manipur) Special Powers Act. The demand was raised in the assembly by an independent member ostensibly on the ground that the Act enabled the security personnel to indulge in atrocities on innocent people with impunity. Mr Singh, of course, gave the assurance that every care would be taken to check misuse of the Act.

CSO: 4220

FRIENDSHIP ASSOCIATION WITH GDR HOLDS PARLEY

New Delhi THE PATRIOT in English 7 Apr 80 p 10

[Text]

THE sixth national conference of the All-India Indo-GDR Friendship Association concluded its three-day deliberations on Sunday after unanimously adopting four resolutions calling for further strengthening of ties between the two countries for peace and international solidarity, for establishing a new economic order and for checking the rise of fascism and imperialism.

The conference also adopted a declaration emphasising that friendship between India and the German Democratic Republic is essential for the defence of India's sovereignty and that the existence of socialist States in the world "strengthens the freedoms and aspirations of developing countries all over the world".

AJCC(U) president Devraj Urs, addressing the large gathering at the Vilhalbhai Patel House, pointed out that the bilateral relations between the two countries had expanded considerably since the establishment of diplomatic relations with the GDR in October 1972. The Indian National Congress, he added, appreciated GDR's "consistent stand" on issues of world peace and non-alignment.

Tracing in detail the history of the GDR's development through the years, Mr Urs expressed the hope that it will join India in implementing "a new economic order aimed at narrowing the gap between developed and developing countries in the world".

Speaker of the West Bengal Legislative Assembly Mansoor Habibullah regretted the fact that the Indo-GDR Friendship Association in his State was limited to the intellectual level and had not been able "for some reason" to involve the workers and peasants. Mr Habibullah

spoke of the Indian efforts in establishing long-lasting ties with the people of his country. "The course of the conference has shown that India and the GDR have identical views on disarmament, non-alignment and world peace", Mr Goetting said.

Earlier, Mr O P Paliwal, paying tributes to the memory of renowned writer Prem Chand, described him as an "inspiration" for progressive writers of the world.

Towards the end of the plenary session four resolutions proposed by commissions set up earlier were presented to the gathering and adopted unanimously.

The commission on "India and the GDR in the struggle of defence of national cultures against imperialist penetration" brought out the difference between an imperialist society—where the "people have been doomed to a life of poverty, unemployment, degradation and large-scale illiteracy based on the elite system,

of education"—and the socialist society where "all the potentialities of society find full opportunity to expand". The resolution urged the Indian Government to take "stringent measures to curb the nefarious activities of the foreign imperialist set-ups that have engulfed various aspects of our culture and to be on guard against further clandestine activities".

The commission on "The new International Economic Order" was of the opinion that the "economic stranglehold of the advanced capitalist nations has not only been continuing (after the Second World War) but has grown stronger" leading to continuous exploitation of developing nations. The resolution proposed cooperation between developing and socialist countries so as to "evolve a new international economic order on their own, mobilise the primary commodities producing countries into combines like the OPEC for mutual economic assistance amongst themselves, and the Socialist countries for evolution of a complementary economic system free of elements of exploitation".

The commission on "Indo-GDR cooperation for peace and solidarity" pointed out in its resolution the dangers of imperialist expansions of armaments and stockpiles. It said that NATO

power had refused to respond positively despite constructive steps taken by the USSR in withdrawing large number of its forces from the GDR. The resolution urged the Indian Government to take the initiative in cooperating with Socialist countries to "halt the dangerous arms build-up and cold war hysteria and confrontation and to promote disarmament and detente."

The resolution of the fourth commission pointed out that "fascism is not peculiar to Germany alone but is a manifestation of the crises of capitalism." It applauded the GDR people's successful fight against fascism and success in evolving a new social order and emphasized the need for India to recognise the real danger and take adequate steps against it.

The declaration on "strengthening Indo-GDR friendship for the defence of India's sovereignty" described India as a "special target for the new Washington-Peking alliance which has encircled our country." Stressing the "urgent need" for unity of all patriotic parties, the organisations and individuals, the declaration criticised all efforts to weaken the Indo-GDR ties as "a part of US-Chinese war plans against the independence of India and other independent countries."

MINISTER SAYS STATES OPPOSED TO NATIONAL POWER GRID

Madras THE HINDU in English 7 Apr 80 p 16

[Text] The proposed national power grid can rid the country of the regional power shortages, but several State Electricity Board's were against the ideas. Prominent among them were the boards which sold their surplus power to other States and made profits.

Stating this here yesterday, the Union Energy and Irrigation Minister Mr A.B.A.G. Khan Choudhury, criticised West Bengal for having recorded in recent times the lowest utilisation of capacity. The national average was now about 40 percent and if only this could be increased to 50 or 55 percent, there need be no load-shedding.

Instead of going in for nuclear projects, the country should think in terms of stepping up hydel power generation, he said. Already, 19 hydel projects had been identified and these would be implemented shortly.

On The Farakka barrage issue Mr Choudhury took strong exception to the recent stand of Bangladesh. He deplored the reported visit of Bangladesh officials to Nepal to explore the possibility of sharing water. He said the bilateral agreement between India and Bangladesh must be honoured. Only the proposed Ganga-Brahmaputra link would be able to take care of the water needs of the two countries as also their flood protection measures. The present Farakka agreement did not ensure that the port of Calcutta could function.

Referring to the problems of power generation, Mr Choudhury deplored that in most States, technological decisions were influenced by political considerations. For instance, he said when the Left Front came to power in West Bengal, many engineers were transferred from their posts, simply because they had served under the Congress Ministry.

Mr Choudhury met Mr Sudhin Kumar and Mr Provas Roy Ministers for Food and Irrigation respectively. He also called on the Chief Minister, Mr Jyoti Basu.

Project to Check Sea Erosion

Mr Roy told newsmen that the Centre had agreed to finance, in part the Rs. 54-crore sea erosion project in South Bengal.

Special expert committees, comprising State and Central representatives, would be set up to study the condition of the Hooghly river and the erosion along the Ganga river from Murshidabad downwards.

It had been agreed that the Parakka water agreement must be reviewed, and this would be done in November. Talks would be held between the Indian and Bangladesh representatives later this month. If the agreement failed to work, it should be scrapped at the end of its five year period. At present, the Hooghly was getting only 11,000 cusecs of water from Farrakka instead of over 26,750 cusecs while Bangladesh drew about 38,000 cusecs.

CSO: 4220

CHIEF MINISTERS HOLD NEW DELHI CONFERENCE

Madras THE HINDU in English 9 Apr 80 p 1

[Text] New Delhi, April 8. A forceful plea that nothing be done to destabilise the non-Congress(I) State Governments was made at today's conference of Chief Ministers and Governors of the States under President's rule, on law and order and allied matters.

The Centre-State relationship, as such, was not on the agenda of the conference but the CPI(M) Chief Ministers of West Bengal, Kerala and Tripura, supported by Sheikh Abdullah of Jammu and Kashmir, wanted that proper norms be observed in keeping with the spirit of federalism.

Mr Jyoti Basu, West Bengal Chief Minister, made no secret of his unhappiness over the Congress (I) agitation in his State which besides creating a law and order problem, had, according to him, a political objective of trying to oust him from power. It was pointed out that in the country of India's dimensions, different parties would be in power in different States and the Centre, and their relationship needed to be governed by proper practices.

Implied in this observation was the point that this was not the case now. Sheikh Abdullah pinpointed the importance of creating a sense of oneness in the country and for this, the role of the Centre was as important as that of the States. It was clear that he was not prepared to point the accusing finger at the States alone.

On the issue of preventive detention too, the non-Congress(I) Chief Ministers had a definite viewpoint. They were for deterrent punishment under the law of the land for any offence but were not prepared for extension of the preventive detention concept. It was the Karnataka Chief Minister, Mr Gundu Rao, who pleaded for reviving the preventive detention law with greater vigour against those known to be inciting violence or were likely to cause communal situations.

Assam did not figure in detail at the conference, with the State Governor, Mr L.P. Singh briefly mentioning the various phases of negotiations between the Government and the agitators and problems posed by their movement.

Mr Singh met the Prime Minister, Mrs Gandhi, outside the conference and told her of the suggestion made by the agitating students, that she visit the State for an on-the-spot survey. A message, sent to them through the State Chief Secretary, made it clear that all forms of agitations should be suspended to create the proper atmosphere for talks.

As regards the administrative steps to improve law and order and to prevent communal tension or violence on weaker sections, the conference generally accepted the suggestions made at last week's meeting of Chief Secretaries, that the executive magistrates be vested with increased powers under the preventive sections of Dr P.C.

The Chief Ministers of Tripura and perhaps his colleagues from West Bengal and Kerala were, however, lukewarm to the idea which would involve giving the power of binding people for keeping peace (under Sections 108 to 110) to the executive magistrates and not to the judicial magistrates as is the case now.

Other steps, generally approved, related to (1) expeditious investigation of offences, (2) imposition of collective fines, (3) administrative inquiries to pinpoint the failure of police and civil administration, (4) strengthening of the intelligence system, (5) improvement in the lot of police personnel, particularly lower constabulary, and (6) modernisation and training of police.

Inaugurating the conference, Mrs Gandhi urged the State Governments to try to restore a sense of security and faith in the administration among the people. As regards the agitation in Assam, she expressed concern that a small section entertained the idea of choking the Indian economy by stopping oil supplies to the rest of the country. Such tactics would not pay, she warned. In her concluding remarks she assured the Centre's cooperation to all States in the supply of essential commodities.

CCN: 4220

CENTER ADVISES STATES ON POLICE USE OF FIREARMS

Calcutta THE STATESMAN in English 7 Apr 80 p 1

[Text] New Delhi, April 6.--The Centre has advised the States and the Union Territories to ensure that the police fired only as a last resort while they were tackling agitations, reports UNI.

However, it may be advisable to use firearms to deal with communal disturbances and desperate criminals, such as dacoits,

The Centre is, however, concerned, because there is a tendency among policemen to resort to firing at the last provocation. (as published)

According to official sources, political parties organizing demonstrations should ensure that such forms of protest are orderly and peaceful.

The Centre feels that if this is ensured by political parties, the police might not have to resort to firing as frequently as they have to now.

The States and the Union Territories have been advised to examine the strength of the police force in trouble-prone areas and to find out whether the equipment and transport facilities are adequate there.

The Centre has stressed the importance of reorienting the training of policemen in crowd control. A review of the training programme has been suggested.

The States and Union Territories have been asked to provide protective shields to policemen. The experiments carried out by the Centre on the use of riot guns and plastic pellets, can be useful in the States as well. According to official sources, plastic pellets are less dangerous. Riot guns and plastic bullets were supplied to some States during 1978-79. If the experiment is successful, the Centre may manufacture them on a large scale.

Meanwhile, the Centre has placed an order with the Defence Ministry for modified .303 rifle ammunition, which will be less dangerous.

PAPER GIVES DETAILS OF DELHI POLICE RESHUFFLE

New Delhi THE PATRIOT in English 10 Apr 80 p 10

(Text)

THE long-awaited reshuffle in the top echelons of the Delhi police was finally made known on Wednesday with the announcements of the names of six Additional Commissioners of Police and their postings. The reshuffle of the district chiefs is now expected shortly.

The present Addl Commissioner (Range) S R Singhvi is now to take over as Addl Commissioner (Armed Police and Training). His post will be split up into the New Delhi and Delhi Range, to be looked after by Mr Gurjeet Singh, who has just been promoted to Addl Commissioner and Mr M P Kausal.

Mr Nihal Kumar, who was DCP (HQ) has now been promoted to Addl Commissioner (Admin) while Mr A K Jaiswal takes over as Addl Commissioner (Brewing and Traffic) while Mr K S Bajwa heads the Crime Investigation Department.

The details of the new Additional Commissioners have also been disclosed. The Addl Commissioner (New Delhi Range) will supervise

the New Delhi, South and West Districts. In addition, ip Communications and Transport, while the Addl Commissioner (Delhi Range) will deal with the Central, North and East Districts and the Central Control Room. The Addl Commissioner (CID) will look after the Special Branch, Crime and Railways and the Special Cell for Crime Prevention. The Addl Commissioner (Brewery and Traffic) will look after Traffic, Security, the Foreigners Regional Registration Office and Palam Airport while the Addl Commissioner (Armed Police and Training) will oversee the Delhi Armed Police, Police Training School and the Police Lines. The Addl Commissioner (Admin) will look after daily administration, Vigilance and the Old Police Lines.

140-4220

'INDIGENOUS' RESEARCH AND DEVELOPMENT URGED

Madras THE HINDU in English 8 Apr 80 p 8

[Editorial: "Sidelining R & D"]

[Text] The recent acknowledgement at a national workshop by the chief of R&D of the Bharat Heavy Electricals Limited, Dr A. Gopalakrishnan, that his R&D division was not so much as consulted about the proposed collaboration with Siemens might not surprise those who have followed the controversy over the functioning of the organisation's top management. But it is certainly a very healthy sign that Indian scientists and technologists, including top R&D professionals working in the public sector, have begun to air their views on scientific issues affecting the national interest without inhibition. While BHEL started its R&D activities rather late in the day--its cumulative expenditure on this head till 1974 totalled only Rs 29 lakhs in relation to a total turnover of well over Rs 750 crores during the same period--during recent years it has expanded these programmes significantly, with the expenditure for 1978-79 amounting to Rs. 5.8 crores. This healthy and growing R&D activity might have played a pivotal role in the growth of the heavy electrical industry in India had only the top management and the bureaucrats concerned with decision-making pursued a wiser course. As it has happened, the broad-based collaboration agreement proposed with Siemens--a blanket technology deal for a period of fifteen years or more paying scant respect to ongoing indigenous initiatives and promises--has threatened to undermine the effectiveness and morale of the developing R&D unit. Although unprecedented in its sweep and implications, what has been proposed for BHEL in the face of widespread public and technical criticism is not untypical of the approach to indigenous R&D initiatives in India.

The lack of appreciation of the role of R&D in the growth of the company, the industry and the nation is not in the least confined to the public sector. As it is, the investment made in this respect is quite small in India by international standards. The expenditure on R&D as a percentage of the country's GNP hovers around 0.6 percent, while in the already industrialised countries it is more than 2 percent of a very much higher magnitude and quality. Even this modest level is financed overwhelmingly by the Central

Government. The private sector in India contributes a little over 12 percent of the total national R&D expenditure (in comparison with 58 percent in Japan); as a percentage of the total turnover too, the role of R&D in the private sector is uninspiring. However, this has not stopped industry from getting into a number of collaboration agreements, quite a few of a repetitive nature. In fact, the strong tendency is for modern industry in the country to spend more on royalty and technical know-how fees than on R&D. While the Department of Science and Technology recognises over 400 industrial R&D units, a disturbing proportion of them seem to be involved mainly in cosmetic research.

R&D is a very complex process starting from basic research and ranging over applied research to development research. Indian industry has not performed satisfactorily on any of the three counts. But for the Central sector, basic research in India would have petered out long ago. The rather sparse amount spent on applied and development research by industry has been one of the primary causes of the inability to translate indigenous efforts into fruitful industrial production. Unless both the private and the public sectors--and this includes all the major industrial enterprises--change their mentality and approach, the country will not be able effectively to harness the talents of the "world's third largest pool of scientific and technical manpower." The tendency to encourage blanket collaboration deals, reversing previous lines of development, in the name of export promotion runs not unfailingly in conflict with indigenous R&D interests. The policy is misperceived on two grounds: on the one hand, it tends to undercut ongoing indigenous initiatives and spread confusion and demoralisation among the professionals involved; on the other hand, it tries to sell the illusion that the dominant partner in the deal will be mightily pleased to promote Indian export into growingly tough competitive markets.

Let there be no misunderstanding. Those who speak and have spoken in the past critically about the impact of such policies are not against technological collaboration per se. It is inconceivable for India or any other developing country to cut itself off from the rest of the world and seek to develop all technologies on its own steam. Import of technology and constant interchanges to upgrade the levels of technology and production will continue to be necessary for an indefinite period. But the whole point is that this policy should be carried out clear-sightededly and with the specific objective of establishing a strong indigenous base capable of maintaining technological momentum and of putting the country in a more advantageous position to tap its abundant resources and talent.

CPI THEORETICIAN CALLS PARTY 'LIQUIDATIONIST'

Calcutta THE STATESMAN in English 8 Apr 80 p 11

[Text]

CHANDIGARH, April 7.—Mr Charan Singh said today that some foreign Powers were trying to get the CPI and CPI(M) to support Mrs Indira Gandhi just as the CPI had supported her in the past. He said that Soviet diplomats had been meeting CPI leaders in India and that Italian Communist leaders had also been in the country.

The Lok Dal leader, who was on his way to Ludhiana, told reporters at the airport this morning that the possibility of Communists and Janata coming together did not worry him. He felt that the Lok Dal and the Janata Party led by Mr Charan Singh could come together now that the Jana Sangh constituent had left the party.

He said that "friends" like Mr George Fernandes, Mr Karpoori Thakur, Mr Madhu Limaye and Mr Biju Patnaik had begun discussions with the Janata Party leaders on possible unity. They had not asked him before taking the initiative but he would not dismiss their efforts. The response from the Janata Party leaders was also reportedly good. He had however told his party colleagues not to force their views on anybody.

He said that he had already burnt his fingers and would not talk to Janata leaders himself. But he would be happy if unity was forged between the two parties.

He did not think that the dual

membership issue was the only factor responsible for the Janata Party's break-up. He had seen from the day the Janata Party Cabinet had been formed that things were not going the right way. Instead of giving representation to various constituents, some five or six people should have been allowed to look after the whole party. He said that "friends" did not listen and had formed the Janata Sammelan resulting in jealousies.

He said he personally did not worry much for immediate gains. But, the former had been smothered. The Lok Dal had not been organized well as yet. Whenever it was organized, it would be a force to reckon with. He was for complete reversal of present policies if the country was to be saved. He lamented that no leader talked about rural poverty. Commenting on Mrs Gandhi's Government, he said that she had been trying to give all things to all men. This was just not possible. Populist slogan ended up in dictatorship andencies, he argued.

CSO: 4220

KARNATAKA, OTHER STATES, READY FOR '81 CENSUS

Bombay THE TIMES OF INDIA in English 8 Apr 80 p 17

(Text)

BANGALORE, April 7.

THE first stage in the massive census operation (1981) has been taken with house-calling in Karnataka, as indeed all over the country.

Particulars to be collected in this stage will include details of houses and households in each village and town, the name of the head of the household, number of people normally residing in it and whether the premises is rented or not. All this information will be of vital use to the formulation of a national housing policy, apart from throwing light on other vital aspects.

For example, the house list will also make available a platform to collect data on employment, such as production and distribution of goods and services, educational, educational, religious, etc. etc. In the residential perspective, "residential" is to be based on a number of the scheduled castes or tribes. A short list of valuable data is required to gauge the progress of the unorganized sector of the economy.

In Karnataka, as elsewhere, the census operation is divided into two stages. After the house listing stage, preparations will be made for a head count which will be spread over 20 days from February 9, 1981. All over the country, an army of enumerators, totalling over a million, working under the 1981 supervisor will be sent out to gather information amounting to a national stock-taking of human resources.

According to Mr. B. K. Das, director of census, Karnataka, the census process is to be a continuous operation in the present stage of economic development. Demographically, the 1981 census has great significance to planners and policy-makers.

The coming census is a gigantic endeavour the like never attempted before. It marks the real continuity of

census in the country, although 1971 was celebrated as the census centenary in the country. The 1971 census did not cover all parts of India nor was it conducted simultaneously throughout the country. In fact, the next census ten years hence was a systematic and simultaneous affair and marked the beginning of modern census in India. Since then, a census has been conducted every decade.

The 1971 census estimated that the population would grow from 360 million to 410 million in 1981, 460 million in 1971 and 520 million in 1981. This estimate went awry. In 1981 the population was found to be 439 million (instead of 410 million). In 1971, it was 546 million (against the estimate of 460 million).

MARGIN OF ERROR

What will be done to reduce the margin of error in population estimation? The method of census operation needs to be modified to ensure as much accuracy as possible. As it is now done, that the proposed census is already beset with uncertainties, with policies casting its shadow on it. Nine states are about to go to the polls at a time when the house-calling operation has been launched with the help of a large number of state government employees on whom are also dependent state assembly elections. The possibility of some other states, including Karnataka, going in for another election at the time of the main census in 1981 cannot be ruled out.

The first attempt to seek information on the number of totally blind, totally dumb and totally crippled persons will be made in the coming census. This may provide the basis for a national plan for the handicapped.

The 1981 census is not going to reverse the practice of collecting caste-wise figures and those who use them for advancing the cause of backward classes based upon caste as a major consideration, will continue to feel "handicapped".

ARMY ORDNANCE DIRECTOR TALKS TO PRESS

Bombay THE TIMES OF INDIA in English 8 Apr 80 p 18

[Text] New Delhi, April 7 (UNI). A network of sophisticated computers is being installed in all the major ordnance installations of the army to inject more efficiency and better consumer services to the fighting units.

This was disclosed today by Lt Gen S.S. Sandhu, director of ordnance services, to a group of newsmen on the eve of the 205th anniversary of the Army Ordnance Corps.

Gen Sandhu said with the complexities of the inventory management techniques based on the manual process assuming gigantic proportions the Army Ordnance Corps had adopted the electronic data processing system for its inventory control as a measure of modernisation.

The defence ministry has already finalised plans for the automation of the complete inventory consisting of more than 500,000 items right from a pin to a tank.

This process has just begun at the army ordnance depot at Delhi cantonment. The commandant of the depot, Brigadier, Robinder Sarin, said the indigenous manufacture of certain ordnance items at various depots had saved the country foreign exchange worth several hundred crores every year.

Long Record

The origin of the ordnance services, which enjoy a long and distinguished record of service to the nation, dates back to 1775. In more than 200 years of its existence ordnance has undergone a variety of structural and organisational changes.

The AOC has kept itself abreast of the changes in the concept of war and the rapidity with which new and sophisticated weapons systems have been introduced. Brig. Sarin confidently asserted that the corps was keeping in tune with such developments in science and technology "so that timely action is initiated to avert a possible inventory crisis."

With the expansion of the central vehicle depot at Delhi cantonment having been completed it has become the biggest of its kind in the whole of southeast Asia.

One commandant of the depot, Col Ajit Singh, said besides servicing all kinds of tanks and armoured personnel-carriers and scout cars, the depot had also started building bodies for army trucks of various tonnages.

Purchase of Chassis

Col Ajit Singh said the army was now purchasing truck chassis from the Tatas and all the bodies were being built at the depot, saving time and considerable amount of money to the government.

The inventory magnitude and forward distribution responsibilities of the ordnance corps are unrivalled. No other organisation or industry in the country manages even a fraction of the inventory that the ordnance corps provides under such different and difficult environmental and operating conditions.

The corps is now procuring stores from hundreds of production and supplying agencies from all sectors of the industry. As the army is being deployed over hills, plains, deserts and eternally snow-bound areas, the corps is stocking and moving stores for them by all modes of transport—railroad, air, animals and porters.

CSO: 4220

KASHMIR GOVERNMENT STUDIES REPORTS ON ARMS SUPPLY

New Delhi THE PATRIOT in English 9 Apr 80 p 4

[Text]

BANGALORE, April 8 . WITH the formalisation of the third split in the Janata Party at the national level, the State Unit of the Party is now in the last phase of disintegration.

Its strength in the Karnataka Assembly, after the recent defections on the eve of the bifurcational Rajya Sabha elections, has already depleted to 19 from its original strength of 35 when the Assembly election was held in 1978.

In the Legislative Council, the party has barely 19 members. Of them, half a dozen, belonging to the RSS-Jana Sangh faction, will leave the party to join the newly-formed "Bharatiya Janata Party."

In the Assembly also, six or seven members are likely to quit the party to join the BJP. Out of the remaining members both in the Assembly and the Council, it is reported here, around half a dozen in each House will either defect to the Congress-U or the Cong-I.

These developments, that are likely to take place during the next week, will however, be advantageous to the Cong-I as the biennial elections to the Legislative Council are due in the first week of May. Among some of the Janata members of the Council, who are due to retire, include party leader in

the House A K Subbaiah who belongs to the RSS-Jana Sangh faction.

(According to PTI, the State unit has already split and the Karnataka unit of the BJP is to be formally launched on 27 April at a conference.)

Giving this information to PTI here yesterday, Mr A K Subbaiah, MLC, the new leader of the Janata Party in the Legislative Council, said Mr Atal Behari Vajpeyi, had agreed to attend the 27 April conference.)

Assembly Janata Party leader S R Bommai, who returned from Delhi on Sunday after attending the fateful national executive meeting of the party however, told newsmen here yesterday that the dissension of communal elements from the party would help strengthen the organization and make it more homogeneous.

Mr Bommai ruled out possibilities of any more defection to the Congress-U or the Cong-I. He, however, indicated that the chances of all "like minded opposition parties coming together on specific issues, especially to fight the Assembly elections are bright.

But he made it clear that there was no scope for all these parties merging together to form a new political party.

ELECTORAL ROLLS TO BE UPDATED EACH JANUARY

Madras THE HINDU in English 9 Apr 80 p 7

[Text] Jaipur, April 8. The Chief Election Commissioner, Mr S.L. Shakdher today suggested creation of a Rs. 100-crore election fund for every five years so that "every time an election is due the Election Commission need not approach the Government with a request for funds."

He also called for a public debate on electoral reforms.

Mr Shakdher told newsmen here that this could help remove certain contradictions in the electoral system. Registration of political parties was part of the reforms.

Mr Shakdher, who is on a tour of Rajasthan, said he had suggested to the Government "a combination of two systems" for the conduct of general elections. He felt that elections should reflect the majority, should result in an accumulation of brains in Parliament and State legislatures, and should not be on a caste pattern.

Most of the political parties had reacted to this suggestion favourably, he said and added that there was need, however, for a public debate on these before implementation.

Mr Shakdher said the Election Commission was in readiness to hold elections to the nine dissolved State Assemblies "any time after May 15."

He agreed with a questioner that simultaneous elections to Parliament and State Assemblies would definitely cut down cost and time.

Mr Shakdher said the Election Commission was prepared to introduce this system for the entire country, "but the money should come from the Government—Rs. 40 crores from the Centre and an equal amount from the States."

The law and procedure in the Election Commission in India were among the best in the world, he said.

According to Mr Shakdher's proposal, voting would be confined to half the total seats in the Lok Sabha and the State Assemblies leaving the other half to be filled up in proportion to the votes polled by each political party in elections to the first.

Political parties would have to provide the Election Commission their lists of nominees for the second half of seats in advance of the elections to the first half.

Answering a question, Mr Shakdher said "some curtailment on the number of independent candidates is essential to make the election process easy and simple. This was, however, to be done through regulatory proposals and not by restrictions."

He announced that the location of booths for the last Lok Sabha elections would be made permanent for the coming Assembly elections also where the voters' lists would be published." Similarly, the lists of voters of each booth would be updated and published in that booth every January.—UNI.

CSO: 4220

GANDHI EXHORTS PEOPLE TO PRACTICE AUSTERITY

Madras THE HINDU in English 9 Apr 80 p 16

[Text] New Delhi, April 8: "We can be hospitable without showing off," the Prime Minister Mrs Indira Gandhi, said in a "practise austerity" appeal to the people. The resources so saved could go to improve conditions in the neighbourhood, she said.

In a letter addressed to her Cabinet colleagues and Governors, she asked them to help discourage lavish illumination and elaborate dinners in private and public functions with which they were connected.

"The nation has to practise austerity now, when there are problems of nonavailability of essential commodities and a severe drought is causing hardship and suffering in most States," she said.

"Everyone knows of the stresses and strains to which our economy has been subjected, particularly in the last two years. The prices of all essential items went up at a very fast rate. The problems of inadequate generation of power, poor production of coal, steel and other key inputs, and low productivity in the transport sector have combined to aggravate the situation and create sacrifices. The recent budget revealed how wide was the budgetary deficit in the year gone by.

Ever since our Government took over, we have been trying to find solutions to these problems. They cannot be wished away or solved overnight. We cannot also shy away from our commitments international or otherwise. The reconstruction of the economy will take time. The house was allowed to fall in disrepair by governments which were not equal to their responsibilities. It has to be rebuilt brick by brick.

In this great task we need the understanding, sympathy and cooperation of all our people. The restoration of the health of our economy cannot be our only goal.

We have to look beyond and work for social and economic justice. There are vast numbers to whom each new day is a struggle. We have to commit ourselves unwaveringly to the removal of disparities in society. As a first

step, we must minimise the hardships and suffering of those who do not have even the elementary necessities of life like food, water and shelter.

To what extent have the well-to-do amongst us paused to reflect about these problems and shown such a commitment? Perhaps, having simpler ceremonies for marriages, etc, will not make a great difference financially, but ostentation irritates the general public. Also it creates an atmosphere where those who cannot afford such luxuries, are compelled to follow suit.

Every religious and social group has its time-honoured rituals. But we must take special care to avoid waste of all kinds, particularly of essential items like sugar and power which are in short supply."--PTI.

CSO: 4220

TEXT OF INTERVIEW WITH CZECHOSLOVAK FOREIGN MINISTER

New Delhi THE PATRIOT in English 9 Apr 80 pp 1, 6

[Text] Prague, April 8. Czechoslovak Foreign Minister Bohuslav Chnoupek has said that there were immense possibilities of economic cooperation between India and Czechoslovakia for their mutual benefit.

In an interview to this correspondent on the eve of his departure for New Delhi on a five-day official visit to India, he said "Our trade relations have a long tradition and it is no exaggeration to say that they have contributed greatly to enhancing the economic potential of both."

He said it was in the interest of both countries to find new forms of co-operation and extend the existing ones in the new conditions.

Mr Chnoupek called for promoting detente and world peace and said "many constructive steps can be taken for the cause of peace in the near future."

Referring to recent developments in Afghanistan, he said "we highly respect" India's stand on Afghanistan. "The responsible and calm response of the Indian Government is of great importance to present-day world and a great obstacle to those forces which would like to impose cold war on the world again."

The following is the text of the interview:

Question: In consequence of the NATO Council decision taken at its session in Brussels, East-West relations have deteriorated. Do you see any possibilities for improvement of these relations, the international situation and relaxation of international tension?

Answer: I am glad that you have asked me this question. It proves that the cause of peace and detente is close to your heart. But I would formulate the first part of the question a little differently. It is true that East-West relations have become more complicated recently. The decision of the NATO Council at its session in Brussels has undoubtedly destroyed the basis for honest and fair negotiations on medium-range nuclear missiles.

But the causes must not be sought only in this decision; they are of deeper character and longer standing. They stem from the refusal of the United States to recognize the parity in the balance of forces which has come into existence in international relations. They reflect attempts to alter the balance, and to win superiority over the USSR. These attempts were evident already in a NATO Council decision taken in the spring of 1978 to increase the military budgets of NATO States by three per cent every year. There were also several other measures of this kind, aimed at increasing tension in various parts of the world, the massing of armed forces to "protect vital interests" in areas thousands of miles from own borders, and steps intended to foment war hysteria.

We have never thought that the process of relaxation of international tension can be straightforward. This policy, encountered in the past, and will encounter also in the future, opposition on the part of the advocates of the arms race and cold war.

The Czechoslovak Socialist Republic is one of the countries that from the very beginning have been promoting the idea of detente in international relations. The socialist countries were the initiators of the Helsinki Conference and, together with the non-aligned countries, are the most active supporters of detente on all international forums. At international meeting, Czechoslovak delegations did not fail to stress the crucial importance of the deepening of detente all over the world.

As Leonid Brezhnev, CPSU Central Committee General Secretary and Soviet President, pointed out nations have begun to orientate themselves better in the game played by the imperialists, and know who their friends and enemies are. The forces who had been issuing orders in the world until recently must take into consideration the present alignment of forces, and adjust their foreign policy accordingly.

We proceed from the assumption that there is no sensible alternative to the policy of detente.

Nations wish to live in peace and to cooperate to mutual advantage. They are ready to fight for these noble goals. We fully share the optimism with which the latest statements of the leading Soviet representatives were imbued.

We believe that many useful and constructive steps can be taken for the cause of peace in the near future. For example, successful preparations, constructive proceedings and positive results of the forthcoming meeting in Madrid of States which were signatory to the Final Act of the Conference on Security and Cooperation in Europe will be a step in that direction. These aims should also be pursued at a conference on military detente and disarmament in Europe, as proposed by the Socialist countries, and this was also the aim of a number of disarmament proposals put forward recently by the Soviet Union. In this context, we deem it necessary to carry on all disarmament negotiations or, if need be, to resume them. This line is being actively supported by all progressive forces not only in Europe but also in other parts of the world.

Question: How do you assess the development of Czechoslovak-Indian relations?

Answer: The quality of relations between countries can be judged from various aspects and viewpoints. Also not negligible is the historical factor—how long the nations have known each other, and what is the extent of the mutual knowledge. The existence of India was known in the Czech lands already in the 9th and 10th century. In mid-millennium, Czech travellers began to show an interest in India, and in the 19th century, foundations were laid for scientific ideology.

A substantial development of relations as we understand it at present came only in this century. After it won independence, the Czechoslovak Republic established consular relations with India, at that time still a British colony. Increasing contacts facilitated an influx of ever more detailed information, especially about the growing Indian national liberation movement.

Of historic importance was the

visit to Czechoslovakia, on the eve of the Munich crisis, by the great son of the Indian people and a prominent representative of the national liberation movement Jawaharlal Nehru. He was accompanied by his daughter, the present Prime Minister Indira Gandhi. Nehru's firm stand at the side of Czechoslovakia in the struggle against Nazism, just as the spontaneous sympathy and solidarity of the Indian people with Czechoslovakia at that time, solidified the traditional friendship linking the two countries.

World War II impeded the development of mutual contacts, but the peoples of India and Czechoslovakia stood on the same side of the barricade in the struggle against fascism, for the final victory of the national liberation movements in the two countries.

In the postwar period, bilateral relations began to expand, particularly after the establishment of diplomatic relations on 18 November, 1947.

The fact that the two countries decided to adopt different socio-economic systems did not prevent in any way further extension of mutual contacts and efforts to learn more about each other. On the contrary, it demonstrated the viability of the principle of peaceful coexistence of countries having different social systems, as the fundamental prerequisite for peaceful development in the world.

In the years 1955-1957, there were reciprocal visits by Indian and Czechoslovak representatives, and each of them was a major step towards a deepening of friendly ties.

Contacts at the highest level continued by visits of Prime Minister Indira Gandhi to Czechoslovakia, and of Communist Party Central Committee General Secretary Gustav Husak and Federal Premier Lubomir Strougal to India. The visits were followed by meetings of parliamentary delegations, Foreign Ministers, other Ministers and representatives of other institutions.

Important in our bilateral relations is economic cooperation. Our trade relations have a long tradition, and it is no exaggeration to say that they have contributed greatly to enhancing the economic potential of both countries.

It is a good thing that in recent years qualitative changes have been taking place in the structure of economic cooperation, when simple trade exchanges are gradually supplemented by new forms such as cooperation in industry, exchanges of licenses, cooperation on third markets, etc. This reflects the high level achieved by the Indian industry, and corresponds to the principal objectives of the economic policy of Socialist Czechoslovakia in relation to developing countries. It is in the interest of both countries to intensify joint efforts aimed at finding new forms of cooperation and at extending the existing ones in the new conditions.

Traditional are our cultural relations. We sign protocols to the cultural agreement with India which rank with the most extensive protocols signed with other countries. We have found out that these contacts are mutually beneficial, and strengthen the friendship linking our peoples.

The people of Czechoslovakia have always been very much interested in the life, work and the future of the Indian people. We highly appreciate the successes achieved by India over the past 50 years of its independent development, and we evaluate the foreign policy of India which contributes greatly to the cause of world peace and security. We wish the people of India new successes on this road.

AFGHAN EVENTS

Question: Does the Czechoslovak Government see any possibility of solving the situation which has developed in connection with the events in Afghanistan, and how does it view India's stand in this regard?

Answer: As regards the events in Afghanistan and the related developments, we believe that they are the consequence and not the cause of the worsening of the international situation. Everyone knows what forces have for a longer time been waging an undeclared war against the Afghan people and their revolution. The Soviet Union rendered aid to Afghanistan already in the past. It was the first State which recognized independent Afghanistan in 1920, and is supporting it also at present when fundamental social

transformations are taking place in the country. It would have been immoral to refuse aid to a friendly nation at a complicated stage of its history.

The Czechoslovak Government closely follows the positions and action of the various States in the present international situation. We highly respect the stand of India. The responsible and calm response of the Indian Government is of great importance for present day world, and a great obstacle to those forces which would like to impose cold war on the world again.

The proposal for a "neutralization" of Afghanistan is not appropriate for the situation in the country, and is motivated by attempts at reversal. Therefore, it cannot help restore peaceful conditions in the country. It ignores the progressive and democratic aims of the Afghan revolution, and its aim is to push through alien and reactionary influences in Afghanistan. It is our view that a settlement cannot be achieved as long as there is external interference which is the reason for the presence of a limited contingent of Soviet forces in Afghanistan.

It is logical that the situation which developed cannot be solved without the consent and direct participation of the Afghan Government. Western governments can naturally contribute to a solution, provided that they seek to reduce tension in the area and exert pressure on those states which are supporting the terrorist bands sent from outside into Afghanistan. As regards the UN negotiations on Afghanistan, we believe that the recommendations and documents which do not proceed from the actual situation and which are, in fact, a product of political and economic pressure and fear of revolutionary changes, serve only imperialism and are directed against the interests of the Afghan people.

Only such steps which will be in conformity with the interest in the continuation of the process of detente and which will be based on the understanding of the actual situation in Afghanistan, can contribute to efforts to find possibilities of solving the problem.

SCHEDULED COMMERCIAL BANKS 1979-80 OPERATIONS REPORTED

New Delhi THE PATRIOT in English 10 Apr 80 p 4

[Text] Bombay, April 9 (UNI)--A slow down in deposit accretion with a substantial rise in nonfood credit marks the operations of the scheduled commercial banks in 1979-80.

According to Reserve Bank data, aggregate deposits with the banks rose by Rs 4,678 crores taking these deposits to a level of Rs 31,694 crores as on 28 March 1980. In the preceding year the deposits had gone up by Rs 4,805 crores.

Percentage-wise the deposit rise, which was 21.6 percent in 1978-79 slowed down to 17.3 percent in the subsequent year.

The demand deposits had gone up during the year by Rs 654 crores to Rs 10,992 crores against a rise of Rs 1,521 crores in the preceding year.

The time deposits had gone up by Rs 4,074 crores to Rs 20,702 crores. In the preceding year these deposits had gone up by Rs 3,284 crores.

The data show that bank credit expanded by Rs 3,658 crores during the year against a rise of Rs 2,856 crores in the preceding year. The outstanding credit stood at Rs 21,453 crores.

The food credit-advances granted by the banks to public food procurement agencies--had declined during the year by Rs 105 crores. In the preceding year these advances had gone up by Rs 226 crores.

The nonfood credit showed a rise of Rs 3,763 crores during 1979-80 with outstanding credit touching Rs 19,348 crores. In the preceding year the rise in nonfood credit was Rs 2,630 crores only.

The nonfood credit, which had gone up by 17.3 percent in 1978-79 showed a marked rise of 24.1 percent in the subsequent year.

Thus 54 percent of the deposit accretion went in for nonfood credit expansion in 1978-79. In the subsequent year nearly 80 percent went to finance credit expansion for the nonfood sector.

The credit-deposit ratio is now 67.6 percent--nearly two percentage points higher than a year ago.

The banks augmented their investments by Rs 1,492 crores during the year taking them to a level of Rs 10,601 crores. In the preceding year, the rise was Rs 1,212 crores.

The banks had increased their reliance on the lender of the last resort by Rs 193 crores. This was, however, accompanied by an expansion of Rs 1,000 crores in their balances with the RBI.

CSO: 4220

SABOTAGE ALLEGED IN TOP PRIORITY DEFENSE PROJECT

Bombay THE TIMES OF INDIA in English 10 Apr 80 p 7

[Text] New Delhi, April 9 (PTI): A top priority defence project at the Solid State Physics Laboratory (SSPL) here was allegedly sabotaged, according to an internal evaluation report of the laboratory.

The project concerns the development of infra-red (IR) detectors for missiles. The detectors guide the missiles to enemy aircraft by sensing the heat of the plane's exhaust.

The evaluation report--called the management information report--was prepared by Dr G.K. Aggarwal, a principal scientific officer at the SSPL.

Dr Aggarwal has been suspended. He has alleged that he was suspended because his report was "not complimentary to the SSPL."

Dr R.C. Tyagi, who was specially brought from the U.S. to develop the IR detectors, has also been asked to leave the SSPL.

Questions about Dr Aggarwal's evaluation report and Dr Tyagi's removal from the SSPL were raised in the recent session of the Rajya Sabha.

In a letter to the Prime Minister, Mrs Indira Gandhi, Dr Tyagi has alleged that his IR work was "mysteriously stopped," when it reached the "critical stage."

At the SSPL, Dr Tyagi was using a new spraying technique he had developed in the United States for which he won an award from the U.S. naval research department.

The IR detectors are a vital component of missiles. They have a shelf life of only six months and are now imported by India.

The SSPL was given the top priority project to develop indigenous IR detectors. The project had been going on when Dr Tyagi joined the SSPL in 1972.

Sources at the SSPL said the project was continuing and that IR detectors had been made using other techniques in the laboratory.

Dr Tyagi, who has two U.S. patents and won the 1978 Hari Om Shanti Swarup Bhatnagar award for developing a solar concentrator, has been without a job for over a year.

In his letter to the Prime Minister he said that after disclosure of the sabotage, he was telegraphically transferred to the Institute of Armament Technology (IAT) at Pune for teaching, despite the IAT's objection "that my specialisation could not be utilised there."

CSO: 4220

DEVELOPMENT OF TECHNOLOGY FOR RICE PRODUCTION URGED

Madras THE HINDU in English 10 Apr 80 p 9

[Text] Bangalore, April 9. The net deficit in foodgrains production this year was of the order of just 11 million tonnes as against the anticipated 25 million tonnes, in spite of the worst drought, said Dr C. Kempanna, Deputy Director General, Indian Council of Agricultural Research (ICAR) here today.

Speaking at the inaugural function of the three-day all-India rice workshop organised by the University of Agricultural Sciences here and the All-India Coordinated Rice Improvement Project, Hyderabad, Dr Kempanna explained that it was made possible because of technological capabilities.

The kharif production was less by only nine million tonnes and the rabi production less by two million tonnes. Thus making a total of 11 million tonnes. (As against the rabi production of 53 million tonnes achieved last year, the prospects currently were supposed to be 51 million tonnes).

Poor Purchasing Power

The Deputy Director-General said progress in production had not kept pace with the net availability of foodgrains to the people. The expected rise in the consumption rate was supposed to be 13.8 percent but the actual performance was 3.8 percent. This was due to the poor purchasing power.

Dr Kempanna felt that the availability of land that could be brought under cultivation had reached a saturation point. The Planning Commission had fixed a target of 140 to 144 million tonnes for the next two or three years while the Agricultural Commission had fixed 160 million tonnes for 1985. By 2,000 A.D. the country's food production would have to be of the order of 220 million tonnes.

Dr Kempanna said rice production in the country was 53 million tonnes grown on 42 million hectares.

He said only 15 million hectares were covered by technology. It was up to the Departments of Agriculture and seed producing agencies and extension organisations to see that the benefit of technology was not confined only to a segment of the people. He suggested proper land use planning

and choosing of more productive crops than lingering on to the under-productive crop prospects.

Dr R. Dwareskinath, Vice-Chancellor U.A.S., who presided, said that so far, out of necessity, rice research in different regions in the country, had been mostly focused on development of varieties, fertilizer application technologies and plant protection measures. The time had now come for rice research to be more diversified.

There were problems of equal importance in the area of rice agronomy, rice economics and post-harvest technology in different regions. Most rice farmers were small and marginal farmers.

Comprehensive and diversified rice research leading to better rice technology would be one assured way by which the problems of rural poverty and rural employment could be tackled to a certain extent, he added.

Dr K. Krishnamurthy welcomed those present. Dr K. Seetharaman, Project Director, AIRCRIP, proposed a vote of thanks.

CSO: 4220

SEMINAR DISCUSSES RELATIONS WITH MALAYSIA

Bombay THE TIMES OF INDIA in English 10 Apr 80 p 11

[Text] Madras, April 9. An international seminar on India-Malaysia relations has urged the government of India to allow joint venture projects in Malaysia to choose equipment freely through international tenders.

The seminar, held at Madras University recently, was attended by specialists from leading universities in India and abroad, senior government officials and representatives from business houses. It was of the opinion that such a course would remove any apprehensions among both the Malaysian government and investors that they were not receiving the best technology and equipment available for the industry.

It was noted that remedial measures had already been taken by the government of India to allow Indian companies to make cash investments in joint venture projects abroad, including Malaysia. It wanted extension of this facility to call for international tenders.

Confidence Voiced

As Indian entrepreneurs could successfully win many international tenders for government development projects in Malaysia and all over the world, there was full confidence among the participants that they could be equally successful in private sector tendering.

A joint commission of representatives of the two governments should be set up to promote and foster increased economic cooperation between the two countries, according to another recommendation. Also, a joint business council of representatives of business and industry of the two countries should be established.

The government of India was requested to further liberalise the release of foreign exchange to enable potential Indian investors to undertake in-depth feasibility studies, market research and promotional activities.

Smaller Firms

The seminar noted that most of the joint ventures thus far have been established by comparatively big Indian firms. The medium and small industrial units in India should also play a vital role in promoting joint ventures in Malaysia, it thought.

But lack of necessary financial, organisational and manpower resources to undertake responsibilities overseas still persisted. It was both necessary and desirable that institutional support should be provided to enable such units to take advantage of the opportunities in Malaysia and set up joint ventures there.

The seminar noted a communication gap between the two countries. The requirements and capabilities of the two countries needed to be assessed and publicised regularly to enable entrepreneurs in the two countries to identify specific viable projects.

Malaysian Rules

It was also felt that Indian industrialists should be made fully aware that marketing and technological conditions in Malaysia and ASEAN countries differed from those existing in India.

Therefore, it would be desirable to put together the necessary information in respect of the modus operandi of the business community in Malaysia, especially the various "do's" and "don'ts" for the conduct of business abroad in general.

Despite the very considerable industrial and technological capabilities developed by India, the Indian image abroad had continued to be one of a backward agricultural economy, the seminar felt.

Positive steps should, therefore, be taken by both the government of India and private sector organisations to correct this situation and project India's standing as a leading industrial nation and thus create a climate of confidence.

Ocean Rivalry

The seminar, organised by the Centre for South and Southeast Asian Studies of Madras University, called for closer and friendlier relationships between the two countries while discussing the political situation in the region.

At one of the sessions, presided over by a Malaysia senator, Mr M. Mahalingam, it was generally felt that with the dark portents of superpower rivalry in the Indian Ocean region as the background, the need for such a relationship between India and Malaysia needed no emphasis.

Many speakers stressed the importance of dealing with ASEAN nations as a group for promoting better understanding in the region.

RAJASTHAN FORMS COURT FOR ANTI-HARIJAN CRIMES

Bombay THE TIMES OF INDIA in English 10 Apr 80 p 15

[Text] Jaipur, April 9. The Rajasthan government has decided to set up special courts for speedy trial of cases of atrocities on Harijans.

A scheme for providing financial assistance to victims of such atrocities has also been formulated. District magistrates will have funds at their disposal to sanction relief.

All serious crimes against Harijans will be treated as "special report cases" which are closely supervised by circle officers. District magistrates and superintendents of police have also been asked to visit places where atrocities on Harijans are reported.

The state government is understood to have decided to give priority to the maintenance of law and order.

Stern action is proposed to be taken against police personnel who are found to be casual or negligent in the discharge of their duties. Complaints against anti-social elements will be looked into by senior police officers.

Mr S.L. Khurana, adviser to the governor, told this paper before leaving for New Delhi that the government had decided to take special steps to restore confidence among the people of Dholpur subdivision where some incidents allegedly involving policemen had created a feeling of insecurity among Harijans. The district magistrate the inspector-general of police and the superintendent of police, Bharatpur, had been asked to tour Bharatpur district.

CSO: 4220

'AFP' REPORTS FURTHER ON 'UNI' INTERVIEW WITH DALAI LAMA

BK140959 Hong Kong AFP in English 0848 GMT 14 May 80

[By Dilip Ganguly]

[Text] New Delhi, 14 May (AFP)--The panchen lama, number two man in the Tibetan Buddhist hierarchy has sent a message to his number one--the dalai lama living in exile in India--appreciating the latter's efforts for rapprochement with the new Chinese leadership. This is the first time since 1959, when the temporal and spiritual leader of the Tibetans, the dalai lama, fled Tibet and took political refuge in India, that the panchen lama has made official level contact.

The confirmation came during an interview the Indian news agency UNITED NEWS OF INDIA [UNI] had with the 44-year-old Tibetan god king in Dharamsala, north India, from where he runs his Tibetan Government in exile he set up in 1962. The dalai lama said that his five-member Tibetan delegation which visited Beijing and Lhasa late last year found the panchen lama in "good spirits and keen to meet me."

The dalai lama has gone on record as saying that he had received "definitely positive reports" on the conditions prevailing in his Chinese controlled homeland and had admitted that he may return to China sometime late this year or early next year to hold talks with the Chinese leadership.

Quoting the dalai lama, UNI said that the panchen lama may now be allowed by the Chinese authorities to visit Tibet. Reported to have been confined to a labour camp since 1965, the 42-year-old panchen lama was identified for the first time on February 24, 1978, as one of the delegates attending the Fifth National People's Congress held in Beijing.

The Chinese-born panchen lama--he is a native of Qinghai Province--became the communist front man in Tibet for three years following the flight of the dalai lama to India in 1959. The panchen lama was named acting chairman of the preparatory committee for the Tibetan autonomous region after the Chinese suppressed the Tibetan revolt which precipitated the dalai lama's self-imposed exile.

In the years that followed, the panchen lama was prominent in numerous Chinese anniversary celebrations and in May 1962 attended the Beijing conference on nationalities affairs work, accompanied by his parents. He became the chairman of the election committee for the Tibetan region in the same year, but two years later was removed from his posts on the charge of "opposing the people, the fatherland and socialism."

Despite this, he became a member of the standing committee of the Chinese people's political consultative conference and next year as well as standing committee man of its Tibet autonomous regional committee. Then, however, relations between him and the Chinese had soured, chiefly because he opposed further moves against the Buddhist establishment.

The panchen lama succeeded to his high religious office as the 10th reincarnation of the 15th century first panchen lama. Between 1951-59, he became leading figure in Chinese Buddhism, occupying for a brief period the post of honorary president of the China Buddhist association. He toured China, met Mao Zedong in 1951 and came to India along with the dalai lama in 1956, to take part in the 2500 anniversary rites of Buddha. Last year there were reports that the panchen lama had married a Chinese girl and had taken to drinking alcohol. But the dalai lama denied this and told UNI that the delegation neither found a woman in panchen lama's Beijing house, nor saw any sign of his resorting to drinking.

Question: "Did the panchen lama give the impression that your efforts with the Chinese would yield happy results for the Tibetans."

Dalai lama: "That I do not know. Our talks with the panchen lama can not be publicised because it might cause him inconvenience."

Question: "Do you mean that his comments are such as would be resented by the Chinese"?

Dalai lama: "No comment."

Question: "There were reports that the panchen lama had married a Chinese girl."

Dalai lama: "My delegation visited his home several times, but met no wife of his; making direct enquiries would have been indelicate, particularly if the reports are untrue."

CSO: 4220

WHITE PAPER ON LINK CANAL SCHEME PLANNED

Calcutta THE STATESMAN in English 9 Apr 80 p 1

[Text] New Delhi, April 8.--The Government has decided to bring out a White Paper on the Brahmaputra-Ganga link canal scheme, which has been proposed by India to Bangladesh as a long-term measure to augment the flow of the Ganga.

The White Paper will point out the advantages of the scheme for the two countries to mobilize public opinion in India and Bangladesh. This, it is felt, will help in the financing of the project by international agencies. Besides Bangladesh, West Bengal and Assam will be direct beneficiaries. Advantages will accrue to Uttar Pradesh and Bihar.

A Bangladesh team is expected towards the end of April to resume talks on Farakka.

In the Ganga system the western parts are semi-arid. Existing irrigation projects have unsatisfactory water supplies and need the entire fair weather flow of the Farakka. Even this will meet only a part of their requirements. A major handicap is the system's limited storage possibilities.

In Nepal, too, the possibilities of storage are limited. The need for Ganga water is so vast that any storage possible in Nepal will not be able to meet requirements even in the upper reaches of the Ganga.

These sites, according to Indian experts, can be used for the benefit of Nepal and areas lower down in India, but they will not provide a solution to the augmentation of the Ganga in its lower reaches at Farakka and downstream, where shortage has developed and is mounting.

Thus experts feel, there is no alternative to diverting the flow of the Brahmaputra towards the Ganga to the maximum extent practicable.

The Brahmaputra has a higher proportion of fair weather flow and is better regulated. The combined Ganga-Brahmaputra-Meghna system has the lowest

flow of 250,000 cusecs in April and 850,000 cusecs by the end of May, compared to 55,000 cusecs by the end of April and 65,000 cusecs by the end of May in the Ganga at Farakka.

India has affirmed that its scheme will not only meet the needs of augmenting the flow in the lower reaches of the Ganga in India and Bangladesh, but the requirements of the regional development of the countries. Along with this, navigation facilities in northeast India will be improved, the region's power needs will be met and it will get a royalty by supplying power to West Bengal, Bihar and Uttar Pradesh. The large investments on dams and power houses will open up communications and provide employment to millions in the northeastern region.

CSO: 4220

TATA STEEL OFFICIAL ON SUCCESSFUL OPERATIONS

Calcutta THE STATESMAN in English 8 Apr 80 pp 1, 9

(Article by H.N. Jadhav)

(Text) Jamshedpur, April 7.--Tata Iron and Steel Company outshines other steel plants in the country in its 1979-80 performance. It has achieved 94.5% capacity utilization despite acute power shortage, poor quality coal and old and decrepid plant and equipment.

TISCO's production of saleable steel in 1979-80 was 1.44 million tonnes against 1.51 million tonnes the previous year.

The marginal shortfall in the output of saleable steel was caused mainly by the acute power crisis in the eastern region. How was it possible for Tata steel to achieve more than 95% production of the rated capacity while steel plants in the public sector were failing?

Like TISCO Bokaro has a captive power station of 80 MW capacity and like other steel plants TISCO suffered acute power shortage. Apparently TISCO made the best use of its power stations and made astute and rational management of whatever scanty power which was available from the Damodar Valley Corporation.

DVC under contractual obligation, should have supplied TISCO-100 MVA every day. However, the power supply by the DVC varied between 15 MVA and 60 MVA a day, averaging 30 MVA and was at times as low as 5 MVA.

In addition, as Mr D.P. Kharta, deputy managing director of TISCO, explained to me, managers and executives of Tata steel made the best use of coal and power and concentrated on the blast furnaces to ensure that the coke rate was as low as possible while maximizing sinter production.

The managers gave the highest priority to the planning of power availability and maintenance of plant and equipment. Mr Kharia said Tata Steel's greatest asset was its devoted men and officers.

In TISCO we have excellent industrial relations and enjoy total industrial peace he added. These factors were as important as planning and maintenance and had helped achieve the 95.4% rated capacity even during the worst power crisis in the region.

Unlike in the other steel plants, its stock of ingot steel at the end of 1979-80 was nil. However, converted 12,000 tonnes of ingot steel received from the Durgapur Steel Plant into billets.

Mr Kharia was not satisfied with the 95.4% production figure. "We are devising ways and means to reach 100% capacity in 1980-81 even if we are to face the power crisis which we experienced last year. I am confident we will do better," he said.

Speaking about the modernization programme in TISCO Mr Kharia said the proposed technical scheme which was now expected to cost Rs 200 crores, would be taken up by October-November this year. TISCO awaited the release of a loan from the Steel Development Fund. The main item of the scheme was the replacement of the steel melting shop commissioned in 1923. The modernization programme includes some modifications of the blast furnaces and rolling mills. Mr Kharia said Tata Steel would have one more thermal station of 25 MW capacity from April, 1980.

CSO: 4220

DETAILS OF WATER TRAFFIC PACT WITH BANGLADESH GIVEN

Calcutta THE STATESMAN in English 7 Apr 80 p 3

(Text)

IN a bilateral agreement signed in Calcutta on Friday, the Central Inland Water Transport Corporation and the Bangladesh Inland Water Transport Corporation declared to render all assistance to each other to boost trade and commerce between the two countries. The accord was signed by Air Commodore Md. Nul Islam, chairman of the Bangladesh corporation, and Mr N. C. Malhotra, chairman of the Indian body.

The agreement reiterated that the corporations would continue to act as agents of each other in their respective countries. Efforts would also be made to maintain uniformity of freight rates.

It was agreed that the Bangladesh corporation, which with 800 odd vessels has the largest inland water fleet in the world, would help its Indian counterpart to maintain a smooth flow of inland water traffic between them. Efforts would however, be made to share the entire inter-country traffic equally.

Briefing reporters, Air Commodore Islam said that despite the bilateral nature of the agreement, trade between India and Bangladesh had so far been "completely one-sided", with India dominating the show. About 30,000 tonnes of cargo had been sent from India to Bangladesh through inland water transport last year while imports from Bangladesh to India had been negligible.

Despite the big gap, the Air Commodore said the step would give a fillip to his country's trade as inland water traffic movement would increase. The two corporations would also extend port and other facilities to each other.

It was said that navigational facilities in Bangladesh could be adequately provided once the flow of vessels from the Indian body increased. According to a spokesman of the delegation accompanying Air Commodore Islam, an entire transit route had been maintained by the Bangladesh Inland Water Transport Authority for these vessels. He explained that the maintenance of the channel had become difficult due to a fall in the number of Central Inland Water Transport vessels visiting Bangladesh.

The spokesman said that out of the three jetties at Narayanganj port had been constructed exclusively for the use of these vessels and there were no loading and unloading problems. He claimed that a smaller turnout of these vessels had resulted in unemployment among labourers.

Under the agreement, the average quota of marginal loading had been fixed at 150 tonnes a day. This, however, excluded work stoppages at Calcutta Port during "bare periods" and inclement weather, which would be applicable to both the corporations.

The agreement had also underlined that to meet requirements of funds at the right moment, the Bangladesh side would place a revolving fund of Rs 100,000 of the Indian Corporation's deposit, while a revolving fund of Taka equivalent to Rs 100,000 in Indian currency would be placed at the Bangladesh body's disposal. The funds would have to be placed within a month of the signing of the agreement.

The agreement will remain in effect till September this year. The next agreement will then be made.

CSO: 4220

SEMINAR URGES ADDITIONAL WHEAT STORAGE FACILITIES

Bombay THE TIMES OF INDIA in English 10 Apr 80 p 16

[Text] New Delhi, April 9: The two day seminar on "wheat and your needs" that concluded here yesterday has recommended that additional storage capacity should be created at the farm level, specially in the wheat surplus areas, with a view to relieving pressure on the storage space and facilitating deferred marketing of grains by farmers. The growers should be paid adequate compensation for storing wheat on their farms before bringing it to the market for sale.

Sponsored jointly by the central department of food, the Food Corporation of India, the Federation of Biscuit Manufacturers, the Roller Flour Mills Federation, the Society of Indian Bakers and the U.S. Wheat Associates, the seminar suggested switching over to storage of grains in bulk, instead of bags.

It is recommended that agricultural universities should take up research projects to find out the effect of repeated fumigations on stored grains. The pesticide manufacturers should provide financial assistance for such projects. It reiterated the need for establishing a national board for wheat and wheat products to look after all the post-harvest aspects of wheat production.

Liberal Import

The seminar stressed the need to augment the country's wheat milling capacity and suggested liberal import of milling machinery.

In his concluding address, Mr Kamala Prasad, joint secretary in the department of food, said FCI would ultimately have to resort to segregation of wheat varieties to facilitate allocation of the right type of grains for various end products.

There was need to encourage industry producing ready-to-eat foods like bread, biscuits, bakery products, etc.

The technology at present used in most of the small and medium bakery units and the bread industry was outmoded. Effort should be stepped up to produce locally the improved machinery for these units.

Mr Prasad urged the flour mills to improve the standard of their products. The complaints regarding the poor quality of the bread supplied by the giant units in Delhi were traceable to the sub-standard wheat flour supplied to them by mills, he said.

CSO: 4220

RECORD COTTON CROP ACHIEVED DESPITE DROUGHT

Calcutta THE STATESMAN in English 9 Apr 80 p 13

[Text] The profitable working of the Indian textile industry is largely ascribed to an abundant supply of cotton. A record crop of about 7.8 million bales has been produced in spite of the drought in some parts of the country. Judging by the good crops obtained in recent years, it appears that the technique of cotton cultivation has improved.

As a result of the comfortable supply, the price of cotton has been ruling at a reasonable level and mills are enabled to profitably use cotton for manufacturing yarn and cloth. In fact, there has been an appreciable shift to cotton from man-made fibres comprising viscose, polyester and nylon. In the process, the multi-fibre textile policy has had to be relaxed for obvious reasons.

Not only mills prefer cotton as it is cheaper than synthetic fibres; a greater use of cotton has also helped to sustain the price of cotton at a reasonable level. It may be noted that the multi-fibre policy stipulates that a certain percentage of man-made fibre is to be used in proportion to total utilization of cotton.

Though growers and State buying agencies are urging the Government to allow the export of cotton in view of a record crop, it looks as if no decision in this regard would be made until indication about the 1980-81 crop was available. It is, however, not denied that the greater use of cotton is having an adverse impact upon producers of man-made fibres. There has, in consequence, been a recession in the demand for synthetic fibres.

The difficulties of producers of synthetic fibre have been compounded by their liberal imports. South India Viscose, for example, has stopped operating since the close of last year while Owalior Rayon has sizably slashed its output on viscose fibre. Hence, the Government should, knowledgeable circles think, consider giving some fiscal concessions to the domestic producers of man-made fibres.

BRIEFS

HARYANA POLICE CHANGES--Chandigarh, April 6.--In a major reshuffle in the Police department, the Haryana Government has superseded an officer who was connected with the Shah Commission, reports UNI. Mr R.C. Sharma, senior Superintendent of Police, who was among the panel of officers to assist the Commission, has been ignored. Mr Ramesh Shegal, senior Superintendent of Police, Gurgaon who is reported to have organized the CBI officer Mr N.K. Singh's alleged arrest in connexion with the complaint of a Maruti driver, has been promoted as Deputy Inspector-General of Police. [Text] [Calcutta THE STATESMAN in English 7 Apr 80 p 1]

ROURKELA STEEL PRODUCTION--Rourkela, April 6.--Mr N.S. Datar, managing director of Rourkela Steel Plant told a Press conference here recently that in spite of severe constraints to availability of power and other inputs, the plant's production had been satisfactory. The cost increase in power coal, furnace oil, transport and wages accounted for about Rs 30 crores during the last financial year. However, the plant will make "a handsome profit," he said. The target for 1980-81 will be 1.8 million tonnes of saleable steel, 1.42 million tonnes of ingot steel and 335,000 tonnes of fertilizer. The plant has produced goods valued at more than Rs 3,000 crores since inception. In addition to that it has given to the Government Exchequer more than Rs 1,250 crores so far. The plant made a record profit of Rs 47.27 crores during the previous year, Mr Datar added. [Text] [Calcutta THE STATESMAN in English 7 Apr 80 p 4]

JUTE SEED SUPPLY--A spokesman of the National Seed Corporation, a Government of India undertaking, told reporters in Calcutta on Sunday that the corporation had arranged a record supply of fresh certified jute seeds to jute growers in West Bengal and other adjoining areas during the current season. There had been among jute growers in the State over whether they would get sufficient seeds this year. [as published] The spokesman said that the seed supply position of the Corporation had been examined and it had been seen that there was no dearth of jute seeds at any distribution point. On the contrary, about 14,000 quintals of fresh seeds had reached various sale-points and authorized dealers of the Corporation. About 11,000 quintals had been sold. The overall position indicated that the Corporation had supplied jute seeds to cover 6,00,000 hectares of jute-growing areas so far, compared to 2,50,000 hectares covered last year, the spokesman said. The total area under jute cultivation in the eastern region was about 8,00,000 hectares. [Text] [Calcutta THE STATESMAN in English 7 Apr 80 p 4]

SWARAN SINGH EXPULSION--Chandigarh, April 6.--The Punjab Pradesh Congress (U) today expelled Mr Swaran Singh, former Congress President, and 10 others for anti-party activities, reports PTI. The decision was taken at an executive committee meeting of the PCC(U) here. Mr Swaran Singh was admitted to the Congress(I) some time ago. The others who have been expelled are Mr Myram Singh Bmagaria, Mr Khushal Bahl, Mr Kirpal Singh Dhillon, Mr Dilbag Singh, Mr Gurjeet Singh Rahi, Mr Gurmail Singh, Mr H.S. Bhatti, Mr Purbodh Chander, Mr Prem Singh Prem and Mr Jai Inder Singh. [Text] [Calcutta THE STATESMAN in English 7 Apr 80 p 9]

ENVOY TO MALTA--New Delhi, April 8 (PTI): Mr Narendra Singh, the Indian ambassador to Libya, has been concurrently accredited as high commissioner of India to Malta with residence at Tripoli, in succession to Mr Ambady Krishnan Damodaran, formerly ambassador of India to Italy. [Text] [Bombay THE TIMES OF INDIA in English 9 Apr 80 p 1]

CULTURAL PACT WITH PORTUGAL--Lisbon, April 8 (Reuter): India and Portugal yesterday signed their first cultural agreement with hardly a hint of the bitter feud over the former Portuguese enclaves in the subcontinent which for years dominated relations between the two countries. The Indian education minister, Mr B. Shankaranand, said both Portugal and India had undergone many changes in the past few years, implying that such a visit would have been impossible before the 1974 Portuguese revolution because of the dispute over India's annexation of Goa 13 years earlier. The Portuguese foreign minister, Diogo Freitas de Amaral, evoked at the signing ceremony the centuries-old links between India and Portugal and said he hoped the agreement would enable the two countries to understand each other better and cooperate more closely. The agreement was the first since 1974 when Portugal recognised India's sovereignty over Goa and the other former Portuguese enclaves taken over in 1961, ending 460 years of Portuguese presence in India. [Excerpt] [Bombay THE TIMES OF INDIA in English 9 Apr 80 p 7]

ALIENS IN MEGHALAYA--Shillong, April 8: The Meghalaya chief minister, Mr. B.B. Lyngdoh, said yesterday that 8,829 foreign nationals had been detected in the state between December 1971 and January 31, 1980. Of them, 7,358 had been deported. He told the state assembly during question hour that five more checkposts had started functioning from October along the Bangladesh border. Only four foreign nationals were detected trying to cross the border after the new checkposts were opened. [Text] [Bombay THE TIMES OF INDIA in English 9 Apr 80 p 9]

NEW MANIPUR PARTY--Imphal, April 6 (UNI): A new political party, known as the Hill People's Conference, has been formed in Manipur. Dr M. Horam, who was elected president of the HPC, said in a statement today that the decision to form the party was taken at a meeting here last month. Mr Ashiho Mao has been elected general secretary. [Text] [Bombay THE TIMES OF INDIA in English 8 Apr 80 p 11]

COOPERATION WITH UK--The possibilities of launching more Indo-British joint ventures specially in the third countries, on a mutually advantageous basis, was discussed on Monday when Sir Peter Garrey, permanent secretary, industry, of the UK called on Union Minister for Commerce, Civil Supplies, Steel and Mines, Prahalad Mukherjee. India could participate in British projects by supplying equipments and accessories at competitive rates because of the comparatively lower labour cost, as well as by providing skilled manpower, Mr Mukherjee said. Sir Garrey said his Government would look into the proposal, and added that several British concerns were keen to collaborate with India. Mr Mukherjee asked Britain to increase its import of Indian textiles. The possibilities of collaboration in the fields of steel, coal other minerals and power were also discussed. [Text] [New Delhi THE PATRIOT in English 1 Apr 80 p 7]

MEDIUM ENTERPRISE CONFERENCE--Bombay, April 9: About 1,500 delegates from 75 countries are expected to participate in the world assembly of small and medium enterprises (WASME) to be held in New Delhi in November, according to Mr Chakradhari Agrawal, secretary-general of the National Alliance of Young Entrepreneurs (NAYE). Mr Agrawal said it was the first time that top leaders of the world business community belonging to the small and medium sectors as also representatives of financial institutions and governments would be meeting in one place to discuss matters affecting the future of small and medium enterprises. Mr Agrawal, who has already visited several European countries and Sri Lanka, will shortly be visiting some Far East and South-East Asian countries to promote the forthcoming assembly. The assembly will formulate a strategy to promote greater cooperation among small and medium industries and strive for the transfer of technology from developed countries to the developing countries. [Text] [Bombay THE TIMES OF INDIA in English 10 Apr 80 p 4]

SOUNDARAPANDIAN FORMS PARTY--Madras, April 9: Mr P. Soundarapandian, who had resigned from the All-India Anna DMK government as Harijan welfare minister just before its dismissal, today announced the formation of a new party called Makkal Munnetra Kazhagan. Mr Soundarapandian said the new party would have no truck with the AIADMK in any circumstances. He said he had had talks with the Congress(I)-DMK front on electoral adjustments but this was in the initial stages. He would not rule out the possibility of the DMK contesting the elections on its own in all the 234 constituencies. [Text] [Bombay THE TIMES OF INDIA in English 10 Apr 80 p 7]

KNF'S COMMISSION CHAIRMAN--Shillong, April 8.--The Vizol Ministry is in a critical state with one more MLA, Mr Horgangse, resigning from the ruling United Democratic Front today. The United Legislative Party leader, Mr B.C. Joshi, has again demanded that Mr Vizol step down, since the UDF has been reduced to a minority. The Chief Minister is in New Delhi. Mr Hokise Sems, Mr T. Ngulie and Mr Konyan, all Congress(I), are also in New Delhi. They have plans to meet Mr Zail Singh and the Prime Minister. Observers here feel that Mr Vizol may advise dissolution of the Assembly and seek a fresh electoral mandate. But the governor has urged Mr Vizol to summon the Assembly for a trial of strength on April 14. [Text] [Calcutta THE STATESMAN in English 9 Apr 80 p 1]

TAMIL DAILY RETURNS--Madras, March 31 (PTI)--'SWADESAMITRAN,' a leading Tamil daily which ceased publication about 30 months ago resumed today. The evening paper which was pro-Congress at the time of closure would be 'non-party' and 'nationalist' in outlook, according to Mr M. Bhaktavatsalam, former Tamilnadu Chief Minister who is chairman of the board of directors. [Text] [New Delhi THE PATRIOT in English 1 Apr 80 p 4]

FRENCH ECONOMIC AID--New Delhi, April 6 (UNI): France is understood to have agreed to provide a comprehensive financial package, indicating government credits on preferential terms, for the setting up of an alumina complex in Orissa. The joint project by Bharat Aluminum Company Limited (BALCO) and Aluminum Pechiney of France will undertake the exploitation of the extensive bauxite reserves in Orissa. The commerce minister, Mr Pranab Kumar Mukherjee, is leaving for Paris tomorrow at the invitation of the French government for exploring the avenues of deepening Indo-French trade and economic relations. [Text] [Bombay THE TIMES OF INDIA in English 7 Apr 80 p 7]

MATHURA OIL REFINERY--Bangalore, April 6: The commissioning of the Mathura refinery, expected to go on steam in April, 1981, is being advanced to January 1981. Mr Veerendra Patil, Union minister for petroleum, will shortly visit the plant in order to ensure its speedy execution. The Mathura refinery has a capacity of six million tonnes of crude. Production is also expected to start according to schedule at Bombay High and Koyali (Gujarat). With these developments, Mr Patil said here yesterday, it would be possible to give LGP connections to four million families by 1982-83 when production would increase by 600,000 tonnes. [Text] [Bombay THE TIMES OF INDIA in English 7 Apr 80 p 19]

CSO: 4220

BRIEFS

STARCHY CROPS IN KHAMMOUAN--160 Tons of Tubers Harvested in Nongbok. Vientiane (KPL). The polyethnic inhabitants of the district of Nongbok, province of Khammouan, at the beginning of this year harvested 160 tons of tubers, including 118 tons of manioc, 35 tons of sweet potatoes and more than 7 tons of mungo and soya beans. In other respects, the agriculture, forest and hydraulic service of the district sent, during this same period, insecticides and chemical fertilizers to the different agricultural cooperatives to be spread over an area of 90 hectares of irrigated rice paddies. [Text] [Vientianne BULLETIN QUOTIDIEN in French 11 Mar 80 p 3] 9498

PAKSAN RICE SALES KHAMMOUAN--Commercial News. First State-Private Commercial Cooperative in Khammouan. The commercial service of the province of Khammouan on the 7th of this month created the first commercial state-private cooperative managed by the state, including 25 members, one of whose tasks is devoted to the importation of material and commodities from abroad and from other provinces, and the other to the purchase of the production of local farmers so as to supply the domestic market. [Text] [Vientianne BULLETIN QUOTIDIEN in French 12 Mar 80 p 3] 9498

LUANG PRABANG RICE SALES--Sale of Rice to the State. Vientianne (KPL). Since the beginning of the year the inhabitants of the district of Muong Nane, Phonsay, Muong Ngoy and Pak Ou, province of Luang Prabang, have sold 251 tons of their surplus rice to the state. Along with contributing to the country's economic development, this activity has likewise given impetus to production within the province. [Text] [Vientianne BULLETIN QUOTIDIEN in French 20 Mar 80 p 3] 9498

CSO: 4200

BRIEFS

NEPAL-TIBET TRADE--Kathmandu, April 6: Trans-Himalayan trade between Nepal and Tibet has increased sizably with the total turnover being Rs (Nepalese) 3.70 crores in 1978-79. According to the Trade Promotion Centre, Nepal exported, among other things, rice, flour, chillies and tobacco worth over Rs. 2.50 crores. It imported about Rs. 1 crore worth of raw wool, mountain goats, sheep, salt and yak's tails from Tibet. Trade at border markets in Tibet have been facing some difficulties because the Tibetan authorities accept only Chinese currency. All their earnings and profits also have to be spent or reinvested in Tibetan markets only. With China joining the International Monetary Fund there is hope that the Chinese currency will be given international recognition. Its conversion will further facilitate trade. [Text] [Bombay THE TIMES OF INDIA in English 7 Apr 80 p 11]

AIR LINK WITH LHASA--Kathmandu, April 6: The prospects of Kathmandu developing as a "tourist launching pad" for air and land borne travel across the Himalayas to selected places in Tibet seem bright. Mr Ren Rong, leader of a visiting Tibetan goodwill delegation who is also first secretary and political commissioner for the Tibetan area of the People's Liberation Army, said yesterday that Tibet's border outpost of Khassa, near Kodari, would be "opened for visitors from the Nepalese side by November. A 60-bed hospital was also being set up at Khassa, he added. Mr Ren Gong also [as published] revived Nepalese hopes of establishing a Kathmandu-Lhasa air link. He, however, said that this might take some time until Lhasa was ready to receive a steady stream of visitors and until the civil aviation authorities worked out the details. It may be recalled that the proposal for an air link between Nepal and Tibet was first mooted in 1977. The proposal included extending the Kathmandu-Lhasa flight to Shanghai and Tokyo. But no further progress could be made as Japan Air Lines demanded "reciprocal facilities." [Text] [Bombay THE TIMES OF INDIA in English 7 Apr 80 p 11]

FOREIGN EXCHANGE INCOME--Nepal earned foreign exchange worth 849,200,000 rupees through overseas exports during the last fiscal year. Of this foreign exchange 22 percent came from EEC countries. [Kathmandu External Service in English 1450 GMT 12 May 80 BK]

PAKISTAN SHOULD BE SELF-SUFFICIENT IN DEFENSE NEEDS

Karachi JASARAT in Urdu 19 Mar 80 p 3

[Editorial: "Defense Policy"]

[Text] According to a report, France has agreed to sell Pakistan a squadron of its latest Mirage fighter planes. The Voice of America, mentioning an Indian news agency as a source, has reported that Pakistan will now be able to order and obtain 50 Mirage planes.

This news has come through Indian sources. We, therefore, do not regard it off hand as trustworthy. Under the direction of its new administrators, India has once again started on its path of anti-Pakistan propaganda. For that reason, whatever is said regarding Pakistan through Indian sources may not by itself be entirely true. Still, as a source for our present subject, we regard this information worthy of attention, and, in this context, want to point out the need for a new defense policy.

With regard to meeting the defense needs of Pakistan, it has been the case in the past that we have had to spend, on a priority basis, the scarce and valuable foreign exchange earned by exporting the raw materials and goods produced with the hard sweat of our industrious workers, laborers and farmers on arms for the defense of the country. Sometimes we bought needed tanks. Other times we bought 10, 20 or 50 planes. At still other times, we bought some other tidbits of warfare, and thus satisfied ourselves. On the other hand, India, which has committed aggression against us three times, is establishing basic defense industries. It is not that we were inattentive to our needs for establishing basic defense industries. Our weakness, rather, was that we lacked the bases of mineral resources and heavy industry to start industries of that nature. Therefore, we could neither ask another country to set up an industry in Pakistan, nor borrow technology. As a consequence, the only way out for us was to import manufactured defense goods instead of importing defense industries.

But now the situation is somewhat different. With the help of China, one complex of heavy machinery has already been established in Texala. The

completion of the Pakistan Steel Mill in Karachi has also made considerable progress. At this stage, even if the Russians leave it unfinished, we can see it through on the strength of our own technical means. The situation with regard to the discovery of iron ore deposits over 32 years of exploration in the country's history is also satisfactory. We have thus arrived at a stage where we should think about importing not manufactured defense goods, but defense industry. If we have been able to carve for ourselves a second or third place in Asia in an industry like shipbuilding, even without mineral deposits of iron ore in the country, there is simply no justification for us to ignore the defense industry on account of some such shortcoming.

It is time we no longer make deals to buy 50 Mirage planes, but look for deals for an industry that can make Mirages in Pakistan. Those countries which regard Pakistan as an important link in the security of the Middle East and South Asia, and are issuing statement after statement in sympathy with our best interests, and are telling us to take whatever we want for our defense, should be told that we do not need armaments, but industry and technology that can produce armaments. We should now seriously think about obtaining technological help from the West. In order to buy that technology, we need proper planning and effective diplomacy so that we can get capital from the Islamic world. Let us hope that serious attention will now be paid to formulating the defense policy of Pakistan on the new lines of need for self-sufficiency.

0699
CSO: 4211

RUSSIAN LEADER'S STATEMENT CRITICIZED

Karachi JASARAT in Urdu 20 Mar 80 p 3

[Editorial: "We Agree With Gromyko Completely, But ..."]

(Text) The other day Soviet foreign minister Andre Gromyko, making a strong attack on the United States, termed its policy as interventionist and expansionist. He said that America had a never-ending lust for furthering its own interests at the cost of other nations and countries. Mr Gromyko said the United States thinks that the Persian Gulf, Indian Ocean, Middle East and all Asian countries are within the sphere of its deep interest. But, said Gromyko, all these countries will strongly oppose American policy. According to Gromyko, Iran, by maintaining its national integrity in the face of pressure, blackmail and capitalist threats, had established a splendid example for other countries.

We agree with and support each and every word of this statement of Mr Andre Gromyko. However, if the same words were uttered by the U.S. secretary of state about Russia, with the exception that wherever Mr Gromyko used the terms "United States" and "Iran," Mr Cyrus Vance used "Soviet Union" and "Afghanistan," we would agree with and equally support Mr Vance's statement also. These words draw a true picture of the characters of both America and Russia, and they represent the real feelings as well as experience of the Islamic world. Both super powers think that if they issue statements against each other while sympathizing with the moslems, the moslems will unilaterally accept such statements and become their allies. Some time ago, the United States used this weapon on Pakistan, and now the Soviet Union has used the same weapon on Iran. By the grace of God, the answer from both Pakistan and Iran will be the same. If one wants to see how Russia looks in the eyes of the Islamic world, he has only to ask the moslems of Indonesia, Afghanistan, Egypt and Iraq. Whoever wants to know about the Islamic world's view of America should ask the moslems of Iran, Pakistan and Bangladesh. We do not imply by this that the countries we have mentioned are divided in groups. On the contrary, one can see the unity of their position and viewpoint on any platform of the Islamic world. Be it Iran, Afghanistan, Pakistan, Iraq or Indonesia, the moslem sentiment indeed operates on the same wavelength,

and the Islamic countries hold identical views regarding each other's problems.

It is no doubt a fact that both super powers, i.e., America and Russia follow a policy of intervention and expansion. Both have a never-ending lust for furthering their interests at the cost of other countries. The most recent example of this in the case of America is Iran. In the case of Russia, it is Afghanistan. What is also true is that both powers regard the Persian Gulf, Indian Ocean, Middle East and all Asian countries as being within the sphere of their deep interest. Further, it is also true that all these countries will fiercely oppose the policy of the super powers. The strong and active opposition to American policy in Iran and to Russian policy in Afghanistan is an irrefutable fact of our times. Mr Gromyko is right when he says that Iran, by protecting its national integrity in the face of American pressure, blackmail and capitalist threats, has offered a splendid example. But he should also concede that the Afghans in Afghanistan are doing just about the same thing. The capitalist regime in the case of Iran is the United States, and the capitalist regime in the case of Afghanistan is the Soviet Union. Iran and Afghanistan are not separate entities; as members of the same community, they share the same feelings and sentiments. The conclusion which the moslems of the entire world have arrived at is that both America and Russia are capitalist regimes.

These two capitalist countries see the Persian Gulf, Indian Ocean, the Middle East and the Asian countries as their hinterland, and keep advancing on these areas in the manner of a mad bull. But, using the same words Mr Gromyko used, we want to say that all these countries will resist the greed and lust of these powers with all their strength. The super powers may have the misleading hope that the moslem community is divided, but the various elements of the moslem community, having confronted the super powers on their individual fronts, will unite and become one. God willing, the steps taken by the followers of Islam in the next century will be the steps of a proud and triumphant community, God willing!

0699
CSO: 4211

BOOST FOR BALUCHISTAN DISCUSSED

Karachi MORNING NEWS in English 10 May 80 p 4

[Editorial]

[Text]

THE well-conceived thrust of previous policies in Baluchistan made redressing the legitimate grievances of the area and its population one of the thorniest and most urgent tasks the present administration inherited. From the very outset, the Government displayed a clear understanding of the need to remove any sense of unfair discrimination in the less developed provinces and to foster a spirit of self-confidence and goodwill. A consistent and steady effort has been maintained to absorb the peoples from the various areas of Pakistan into functioning as a constructive harmoniously integrated part of the national mainstream. In concrete terms this has meant the institution of plans and programmes that promote development in regions where people experienced a state of economic neglect and deprivation, to combat and eradicate such feelings. Baluchistan, which along with the NWFP ranked as one of the more backward provinces has been a particular concern of the government. Time and again, the President has matched action to sentiment by making special developmental grants to the province. Indeed, Baluchistan more than requires these, for in terms of area it is the largest of the four provinces, but, with extensive tracts of arid land and a meagre nomadic population, it is poorly served in terms of development. Every effort is presently being made to utilise resources and promote prosperity in the region.

This was borne out in the Governor's address at the inaugural session of the Baluchistan Provincial Council. Government spending on developmental programmes in Baluchistan is to be increased to Rs. 413 million in the next financial year as against the Rs. 230 million allocated during the current year. This latter sum was in itself a significant increase over previous allocations. The Governor also informed the

"gathering of a Presidential directive for the laying out of 340 kilometres of gas pipeline from Shikarpur to Quetta. This is expected to facilitate both industrial and agricultural development. Plans for the construction of jetties, and a mechanisation of vessels, where fishery is still overly dependent on the use of ancient fishing boats, should give a healthy boost to fisheries in the area. The export of shellfish is one of the major sources of income, and a considerable part of the population earns its livelihood as fishermen off the coast. The mechanisation of the industry should be geared so as to absorb them with the minimum dislocation. A coastal highway linking Ormara and Karachi, and reducing the distance between the two points by about 200 miles will soon be open to jeeps.

Apart from economic measures, it is expected that the scheme of representation at the level of local bodies should work in Baluchistan, as in the other areas of Pakistan, to provide people at the grass-roots level with a sense of participation and effective control over matters that relate to their daily activity. The elected councillors have been delegated powers for taxation and are empowered to function as conciliatory courts. Understandably the delegation of further powers will follow upon the effective utilisation of present ones. Again, the decision not to load the provincial exchequer with the financial strains of a cabinet of ministers is intelligently taken. Limited resources are better utilised in expenses other than the administrative, and the affairs of the province are being handled more than adequately by the present combine of dedicated and efficient personnel.

CSO: 4220

CONSULTATIVE BODY FOR OVERSEAS FIRMS SUGGESTED

Islamabad THE MUSLIM in English 13 May 80 p 8

[Text] KARACHI, May 13. The Federation of Pakistan Chambers of Commerce and Industry has suggested the Federal Government to set up a consultative body to recommend to the government from time to time about solutions to the problems faced by Pakistani firms, working abroad, it was learned here today.

Federation's Vice President, M Z Qureshi, in a communication addressed to the Ministry of Finance has pointed out that in view of the unprecedented development activity in the Middle East, vast opportunities exist there of which no advantage has been derived so far.

Some contracting and consulting firms, according to the communication, have drawn attention to the impediments that prevent them from fully exploiting the potential in consonance with their technical competence and experience.

The main difficulty faced by these firms is in securing bonds and guarantees from Pakistani banks. Foreign banks are unwilling to offer financial guarantee notes since Pakistani contractors and consultants cannot offer securities in foreign exchange. Further more in spite of the fact that the State Bank has allowed Pakistani scheduled banks to issue bonds and guarantees in foreign exchange no Pakistani firm from the private sector has so far received any accommodation from a Pakistani

bank. The Federation has, therefore, impressed upon the government to give urgent attention to removing the impediments faced by Pakistani contracting and consultancy firms, and as a first step has recommended formation of a consultative body, comprising representatives of contracting and consultancy firms in the private sector.

The federation has also suggested that a consortium of Pakistani financial institutions should be organised for providing bonding and other credit facilities to Pakistani contractors and consultants.

In order to encourage Pakistani firms working abroad, the federation has further suggested that overseas income should be totally exempted from Pakistan taxation. There should also be no compulsion of inward remittance of annual profits.

To enable Pakistani firms to meet the competition of firms from developed countries, or newcomers like Korea, it is necessary that Pakistani firms are also given suitable incentives. In this manner Pakistan contracting and consultancy firms would be able to secure more business which would enable them not to earn and remit more profits, but to absorb more Pakistani labour in their projects, which could increase the level of home remittance. This would help our balance of payments which is presently under severe strain, he added. - PPI

ISLAMIC BANK CENTER TO BE SET UP IN KARACHI

Islamabad THE MUSLIM in English 13 May 80 p 8

[Text]

KARACHI, May 13: The Asian centre of the Islamic Banks International Association will be set up in Karachi, it was learned here today.

The IBIA will also appoint a Secretary-General for Asia in the meeting of its Board of Directors, scheduled to be held in Cairo, on May 24.

D.M. Qureshi, Managing Director of the Bankers Equity Ltd., has been appointed as IBIA's Director for Asia. He has also been authorized to open the Asian Centre in Karachi.

A number of decisions are understood to have been taken between Pakistani officials and A. Elmagar, IBIA Secretary-General, who visited Pakistan recently. One of the decisions was to upgrade the proposed IBIA branch to an Asian centre.

The Asian Centre will also manage the International Institute of Islamic Banks which will initiate

studies for introducing a financial system, based on Islamic principle of profit-sharing to replace interest from financial transactions.

Discussions on Interest Free Banking System is already taking place between bankers of Muslim States, so as to benefit from each others studies and experiences.

State Bank Governor, Aftab Kazi, had discussions with his Iranian counterpart during a stop-over in Teheran, before flying to Hamburg for the meeting of the Group of 24.

Iran has worked out an alternative system which abolishes interest in the Banking system. Advice from Mr. Kazi was sought on the system as well as the conclusion reached by Pakistan in studies carried out so far.

Pakistan, it may be added here, has abolished interest from House Building loans and operations of BII and ICP mutual funds.

CSO: 4220

OVER 90 PERCENT OF PROPERTY OWNERS EVADING TAXES

Islamabad THE MUSLIM in English 14 May 80 p 1

[Article by Sikander Hayat]

[Text]

ISLAMABAD, May 13: Over 90 per cent owners who earn taxable income from their property in this city are not submitting their income tax returns voluntarily, as required under the law, it was learnt today.

The concerned authorities term the non-submission of income tax returns as more a case of ignorance than intention.

Even very senior government servants have conveyed to the Income Tax authorities that they were under the impression that property in Islamabad was totally exempted from tax.

However, the authorities have made clear that residential houses completed by June 30, 1970 in Islamabad were exempted for five years from the date of completion.

Subsequently such exemption was extended for a house whose construction was completed by June 30, 1972.

This exemption created the myth of total exemption from tax in respect of property in the capital for all time to come.

The exemption from tax in respect of houses completed after June 30, 1972 is, however, subject to various limits of 'annual value'.

The income derived from a new building or flat, erection of which was completed between July 1, 1972 and June 30, 1975 is exempt for five years, provided the annual rent does not exceed Rs.6,000. This exemption does not apply to more than one building or flat.

The property built during July 1, 1975 and June 30, 1980 is also given exemption from tax for five years, provided the annual value of such building does not exceed Rs.12,000. If the annual value exceeds Rs.12,000, exemption shall be limited to Rs.6,000.

ADMINISTRATION OF EXPORT INDUSTRY NEEDS DEVELOPMENT

Islamabad THE MUSLIM in English 14 May 80 p 7

(Text)

A good many of developing countries in the South East Asian and South Asian region are engaged in developing their exports in a well-planned manner having definite objectives to achieve. The methodology consists of programmes to select a few commodities for increasing their production, specially to expand exports. A priority list of products is usually drawn keeping in view the potentials of growth in production and exports of these products. At the same time, depending on the growth potential of each product, a ranking is given in order of importance and thus a well-calculated drive is made to increase exports.

The four major criteria adopted specially by Sri Lanka for the development of her exports included: (1) Supply position of each product in the near, medium and long term. (2) Comparative advantage of producing and marketing each product. (3) Export market demand for each product. (4) Benefits to the country from the exportation of each product.

Under the first criterion, the existing and potential production facilities were thoroughly examined by making a quantitative assessment of the export supply position. With a view to pursuing a planned increase in the production of a product having sizeable export potential, several aspects were taken into consideration and plans were geared up for increasing production. In the case of an industrial product, practical steps were initiated to ensure facilities for

the import of machinery and spares and other raw materials in addition to the availability of infrastructure facilities. In the case of an agricultural product, programmes were launched for planned increase in cultivation.

Other criteria were also assiduously analysed and practical steps were taken to obtain vital information and data. In the process of this exercise under the above mentioned criteria, preferences were given to products involving high labour contribution, increased use of locally available raw materials, intensive use of existing industrial capacity, introduction of new skill etc. At the same time, studies of demand potential in the traditional and non-traditional export markets were undertaken.

The pay-off ultimately came up with a bang and various products prominently emerged in Sri Lanka's export trade. It may be mentioned that the export earnings of the 17 specially-selected products registered phenomenal rise from Rs. 125.7 million (US \$1=Rs. 8.00) to Rs. 2,424.4 million in 1978. The export figures of one of the priority items—ready-made garments—alone indicate the effectiveness of the approach and the methodology adopted by Sri Lanka Government authorities. Prior to the introduction of the above exercise, the garment industry in 1972 consisted of a small number of semi-organised units participating very insignificantly in the country's exports. The exports of garments

from Sri Lanka amounted to Rs. 69.00 million in 1976 i.e. after four years of the planned effort towards export development. By 1978 the garment industry gathered momentum and exports of garments from Sri Lanka shot up to Rs. 474.00 million which further rose to Rs. 700.00 million in 1979.

The exports of other items (from Sri Lanka) such as seafood, electric lighting accessories and fittings, ceramic wares, canvas footwear, fruit juice and some of the handicraft items registered rapid increases in the exports.

It may be observed that Sri Lanka has achieved spectacular strides on the export front through calculated efforts to develop the production of exportable goods and at the same time keeping an eye on the demand potential of her exportables in the importing countries.

The presentation of Sri Lanka's success story on the export front, in these columns, is intended to underscore the point that in Pakistan the entire emphasis is seemingly placed on extending rather unplanned concessions to the export industries without giving equal emphasis on the need of creating healthy conditions and where withals for the production of such goods and products as have great potential for increasing their exports. The glaring instance of lack of planned efforts on our part, is provided by the insignificant growth of garment industry despite the availability of all the cotton and cotton yarn.

COUNTRY HAS POTENTIAL FOR MORE JOINT VENTURES

Islamabad THE MUSLIM in English 15 May 80 p 6

[Text]

KARACHI, May 14: Pakistan has ample potential to enter into joint venture collaboration with foreign entrepreneurs from developed countries particularly those from West European countries to produce at least 22 varieties of engineering items.

An official report prepared recently reveals that Federal Industries Ministry had constituted a sub-committee on 'international sub-contracting' which identified 22 engineering items in which Pakistan has capability to enter into joint ventures or sub-contracting arrangement with foreign entrepreneurs.

These items are the automotive parts of various types, cast iron, steel casings and parts, castings and cast parts of non-ferrous metals, parts of machine tools and workshop equipments, cement machinery parts, parts of boilers, wood working machinery, vegetable ghee machinery parts, bottling machinery parts, diesel engines, parts of electrical machinery, equipment, accessories, appliances including those of appliances, textile machinery parts and accessories, components of refrigerators, Radio and television parts, a variety of agricultural implements and their parts, galvanisation and electro-plating and parts of hospital equipment.

The report states that Pakistan's major strength in the international sub-contracting lies in its relatively cheap labour force which has necessary skill and technical training as well as competency of local entrepreneurs in their respective fields.

It pointed out that country lacked an industrial base worth the name in 1947 but engineering industry made an impressive headway during the period of 1955 and onwards and is now capable of producing a wide range of light and heavy engineering items.

So much so, the report states that country's engineering industry met one fourth of total domestic requirements of capital goods in decade of seventies which matched in quality with imported ones.

However presently the report states the domestic engineering industry suffers from under-capacities and according to a working group study the capacity utilisation was hardly 50 per cent. -PPI

CSO: 4220

COUNTRY'S MONETARY POSITION IMPROVES

Islamabad THE MUSLIM in English 18 May 80 p 1

[Article by Jawaid Bokhari]

[Text]

KARACHI, May 17: Pakistan gold and foreign exchange reserves have risen to highest ever total of 1766 million dollars on May 8, according to the latest weekly statement of affairs issued by the State Bank.

The break-up of the aggregate reserves are as follows: Approved foreign exchange Rs. 447 million dollars, balances held abroad including cash and short term securities Rs. 404 million dollars and gold coin and bullion Rs. 9.15 million dollars.

Besides, Pakistan holds India notes representing assets receivable from the Reserve Bank of India amounting to Rs. 32.4 million dollars which, for all practical purposes, have become redundant.

The foreign exchange reserves have been continuously rising since January this year because of abnormal rise in exports, up by nearly 50 per cent during last ten months, and decline in growth rate of imports from 35 per cent to 15 per cent. Thus the trade deficit is being maintained at last year's level.

Home remittances, have gone up

by 15 to 20 per cent and Saudi financial assistance have further contributed to building up the foreign exchange reserves.

Financial Times London, has reported in its last week's issue that "Pakistan was saved from defaulting on its international payments this year by an unexpectedly strong export performance and help from Saudi Arabia. In an undisclosed, transaction in March the Saudis placed 200 million dollars on deposit with the State Bank of Pakistan. This is in addition to another 200 million dollars paid by Saudi Arabia last year".

"By the end of June the foreign exchange reserves should have risen to about 800 million dollars from a perilously low in last autumn of about 150 million dollars."

On May 8, the foreign exchange reserves had exceeded 851 million dollars.

Commenting further the "Financial Times" said: "The Saudi Funds do mean that Pakistan can avoid borrowings from the IMF, which would involve an unpalatable deflationary package".

CSO: 4220

ARTICLE CALLS FOR SIMPLE ARITHMETIC ON COST OF LIVING

Islamabad THE MUSLIM in English 16 May 80 p 5

[Article by M.B. Naqvi]

[Text]

WE ARE all aware of the government spokesmen holding the cost of living during 1979-80 to be just about 10 per cent. It is supposed to have remained in single digit figures during the previous year also. On this basis Pakistan government's management of the economy is thought to be exemplary. It would doubtless be so if the figures correspond with reality at the grass roots.

The basis on which this 10 per cent is calculated is the price of 28 selected "essential" commodities. The detailed list of these items is not readily available. But the prices of quite a few of these are officially fixed. Now, in some cases, as in the case of atta, there is a general correspondence with reality at the ration shops. (The government is quite right to ignore the price the gentry pays for unrationed atta available in special packings; it is generally the less common people who consume them). But can the same thing be said for all or most other items.

At this point two facts must be faced and made clear. While it is perfectly right to ignore others and to choose truly essential commodities, the prices of which are the key ones for the common man, we must define our common man with feasible precision. He should not be a mythical person or merely an abstraction of the government statutaries.

TERMS OF FUNCTIONS

We should delineate him in terms of functions as well as income, apart from vague sociological categories. Not to put too fine a point on it, let us pose a direct question: Is an upper division clerk in the government service, say, working in the Pakistan Government offices in Karachi to be regarded as common man or not? The assumption being made here is that he is.

If this be so, let us see what is his income? His maximum salary is Rs 575 per month. He gets Rs 134 per month as house rent. He also gets Rs 57 as local compensatory allowance; his conveyance expenses are covered by a conveyance allowance Rs 45 per month, and he is given presumably a special cost of living allowance of Rs 40. Now, all these sums add up to the gross emoluments of Rs 851 per month.

Before anyone runs away with a wrong notion of government employees' emoluments, the point has to be clarified that this is the maximum that a senior UDC can get. And a senior UDC generally has a service of about, say, 25 years. There is a whole army of juniors behind him: there are the Naib Qasids, Dispatchers, LDCs and one or two other categories that escape one. They all get much less than this gross amount. If one averages

out the emoluments of the lower category government servants, they cannot be more than Rs.600 per month.

This is our Common Man. To be sure, he is slightly above the average in income if we take the general mass of white collar workers in the private sector (forgetting the fortunate few in private firms). But other corrections are necessary. Some categories of even lower grade employees in industrial undertakings and corporations are slightly better paid, though the new trend is, one is told, towards equalisation. We are leaving out the totally unprivileged in the cities and towns who are wholly unemployed. Also left out are a whole class of people, no matter how numerous, and they can only be very numerous, indeed. Landless agriculturists, who have somehow to eke out a living and for most of the year, have to buy their food from outside the rationing system (where prices generally are much higher). Strange as it may sound, the price of atta in a village is nearly always much higher than in the ration shops in a city. Much the same applies to all other items that are sold in a village shop, no matter what prices the government statisticians say is of things like mustard, kerosene, salt and desi sugar and other essential consumer goods.

The aforementioned exceptions make for big holes in the cost living figures. Apart from the intrinsic value of the cost of living figures—which is what has to be adequately questioned—a very very large majority of commoner than the common man (defined here) is completely outside the vale in which the supposedly controlled cost of living operates. This is a mighty important fact, the human dimensions of which are not somehow generally emphasised. Why? One does know. Perhaps it is sloth.

The practical point one is making is this: next time when some government spokesman talks of the cost of living being kept within this or that limit, he should be asked the straight question: How much of the population, covered by the amorphous terms of low income groups, actually lives under the regime described by the given prices?

COMMON MAN

Once this all-important corrective for the perspective has been taken into account, let us see what is the situation for the described Common Man in real life. To remind you, we take his monthly income to be Rs.600 per month—a fairly high figure considering the

per capita income in the country.⁷ Let us further suppose he has an ideal family, having a wife, a mother and just two children. Let any government statistician find a house in Karachi—or anywhere else for that matter, including Toba Tek Singh—for these five souls in Rs. 134 per month. A single room in any shanty town here, if you do not want to call the collection of jugsis a slum, in Karachi and without any conveniences costs Rs. 200 per month and it is not much in any sense of the word. A two-room tenement, made of cement, in North Karachi, Korangi or Landhi cost a minimum of Rs.600, probably a lot more. (Please do not let that slick government spokesman get away with the theoretically correct answer that the government itself provides the house and that this rent is what it charges for the accommodation it has given; please do not forget to ask him to specify how many government employees of the lower categories are actually provided with government accommodation and how many are not, who are just fobbed off with the allowance).

The point is that the Common Man's cost of living, as described by the government figures, seems to have a rather fitful correspondence resemblance with reality in the market place. Take conveyance for example. No one can suppose he will have a transport of his own. Karachi is not a city where bicycles can meaningfully be used, except for certain short-distance chores by those who possess these. The total number of bicycles in this town is perhaps the lowest in per capita terms and understandably so. So we have to assume two things: The junior guys with lower gross emoluments will travel to work by bus while a few senior ones (generally with some help from their sons' incomes) use motorbikes or scooters. Let us see the economics of it. For each bus journey the minimum that Mr. Common Man pays in Karachi is Rs.0.50, if he lives within a small distance of his place of work; or else he has to fork out Rs.1.00 if the distance is a respectable one. Rs. 2.00 a day on conveyance would seem to be the minimum if we keep in mind the distances at which reasonable residences and offices/places of duty are likely to be. If the number of working days is no more than 24 in a month, his expenditure would be Rs.48.

CONVEYANCE

But is this all the conveyance a man needs? Sometimes, his mother or wife falls sick. He takes

her to either a hospital or dispensary. That would be a minimum Rs. two to three per occasion. Then, suppose his children are in school. Let us further suppose they use the bus and the concessional fare of Rs.0.30—itself a 300 per cent increase over the student fares of some years ago—each way. This is Rs.14.40 per month per child and for two children it would be Rs.30 per month. (We are not supposing any extra curricular activities and attendances). Please also ignore emergencies when he may have to use motorcycle, rickshaws or minibuses. Even so his monthly bus bill will not amount to less than Rs.90, if we include social visits to relatives on various celebrations and entertainment visits. Expenses on education, including books, copybooks, pens and pencils etc. too cannot be much less than Rs. 25 to Rs.30 per month per child.

Let us then see what is left for milk, meat, pulses (all of them Rs. five a kilo and above) vegetables (that are frequently really what the ML Controlled prices say they are) and occasional fruit. Milk is Rs. five a seer now. Beef in Karachi is Rs. 8 to Rs.10 per kilo with bones—meaning thereby a lot of bones—and Rs.12 to Rs.14 for the boneless. Mutton is anywhere from Rs.22 to 24 per kilo no matter what the ML and local administration say or do—that is, when it is available, which is not always. One has not mentioned clothing. Can Mr. Common Man clothe himself after filling his stomach?

Should not people ask the government spokesman to make out an ideal budget for our Mr. Common Man (i.e. within Rs.600 p.m.) Let us see if one senior officer can make a demonstration of actually making a family of five live—properly clothed and educated and fed on a diet of 2500 calories per adult head per day—on an experimental basis, both in cities and in some villages. One can suggest ten pilot projects, as a start. Five cities, one within each province may be chosen, say, at any district headquarters. It includes a city in Azad Kashmir also. Similarly we can select five village one in each province and Azad Kashmir.

If this can be done under adequate supervision of independent economists, public servants, statisticians and/or social workers, an invaluable service would have been rendered by the government by way of showing the lower paid employees how to operate or capitalise on the laws of both supply and demand and of diminishing returns. In the process, the value of the cost of living and other statistics compiled by the government will have been shown conclusively.

COUNCILS USHER IN NEW ERA IN TRIBAL AREAS

Islamabad THE MUSLIM in English 16 May 80 p 6

[Text]

PESHAWAR, May 15: The agency and frontier regional councils in tribal Agencies and frontier regions of Peshawar, Kohat, D.I. Khan and Bannu met at their respective headquarters today, ushering in a new era in the history of tribal areas adjoining NWFP.

The councils, constituted recently, by the NWFP Governor, Lt. Gen. Fazle Haq, were designed to help resolve the problems of the people at local level, by the tribesmen themselves.

The members of the councils of various agencies including Khyber, Mohmand, Bajaur, Orakzai, Kurram, South Waziristan and North Waziristan took oath as councilors at the inaugural meetings of these bodies, today.

The oath was administered by the political agents, in the case of agency councils and deputy commissioners in the case of regional councils. The political agents and deputy commissioners, who are ex-officio chairmen of the respective councils, presided over today's meetings.

After the oath taking, the members of these councils, reiterated

their unflinching faith in Pakistan's destiny and pledged to safeguard its integrity, solidarity and Islamic ideology at all costs. They also declared to work with sincerity and devotion for the progress of the country and welfare of its people.

The councilors also deplored the Soviet intervention in Afghanistan and held out an assurance that the tribesmen fully supported the policies of the Pakistan government of Afghanistan.

They lauded the efforts of the President, Ziaul Haq, for ensuring withdrawal of Soviet troops from Afghanistan.

They also paid rich tributes to the President for his political acumen and his keen interest in the welfare of the people. They assured the government of the tribesmen's full co-operation in this task.

Addressing the councilors, the political agents and deputy commissioners who are the ex-officio chairmen of the councils underlined the need for unity and comprehensive efforts for rapid progress. They also exhorted the councilors to work with sincerity by subordinating their individual

aspirations to the national interests to achieve the goal of overall national progress and prosperity.

The chairmen of the agency councils said the main object of establishment of the agency councils was to solve local problems through local efforts.

They said the funds allocated for public utility works would be spent in consultation with the tribal councilors. Every possible endeavour would be made to make judicious use of the funds earmarked for implementation of various development schemes.

Ahmed Nawaz Shinwari, Deputy Commissioner of D.I. Khan, speaking at the Frontier Regional Council for the Tribal areas attached to D.I. Khan division, said the constitution of these councils were motivated by the desire of the government to provide a solid base for real democracy in the country.

He also assured the councilors that, as chairmen of the councils, he would do his best to streamline the development activities in consultation with the tribal councilors. -APP

CSO: 4220

ISLAMIC DEVELOPMENT BANK CONCEPT, FUNCTIONS

Islamabad THE MUSLIM in English 18 May 80 p 4

[Article by Qutubuddin Asiz]

[Text]

THE Jeddah-based Islamic Development Bank has become the world's first multi-nation interest-free Bank which practises the precepts of Islam in its banking operations. Established four years ago, its performance has belied the ominous forecasts of Doubting Thomases at the time of its inception that interest-free banking will yield no profit. In the Islamic Lunar Year of 1399 Higa that ended on November 19, 1979, the Islamic Development Bank made a net profit of 2,282,085 Islamic Dinars (One ID equals U.S \$1.29).

The Islamic Development Bank was conceived in Karachi during the Islamic Conference of Foreign Ministers held from December 26 to 28, 1970. Pakistan and Egypt were amongst the Muslim States which contributed very substantially to the formulation of the scheme for the establishment of the Islamic Development Bank. It became a reality when the Finance Ministers of the founding member states finalised the Charter for the setting up of the Bank and signed it in their historic meeting on August 10, 1974 in Jeddah. The authorised capital of the Bank was fixed at 2,000 million Islamic Dinars and the value of one Islamic Dinar was pegged at one SDR (Special Drawing Rights) of the International Monetary Fund. The subscribed capital of the Bank was to be fifty per cent of its authorised capital.

AGREEMENT

The agreement, which founded the Islamic Development Bank in 1974, said inter alia that its establishment was motivated by the recognition of "the desirability of establishing an international financial institution which shall be development, investment and welfare-oriented, based on Islamic principles and ideals and a practical expression of the unity and solidarity of the Muslim Ummah". The agreement laid emphasis on the point that the Islamic Development Bank was being sponsored in order to help in "the harmonious and balanced development of the Muslim countries on the basis of Islamic principles and ideals" and that such development can be best advanced through mutual financial and economic cooperation among the Muslim States which are members of the Islamic Conference. Noting, that one of the objectives of the Islamic Conference is to promote and strengthen cooperation among the member states in the economic, social and other fields of activities, the 1974 Agreement laid stress "on the need for mobilising financial and other resources both from within and outside the member countries and for promoting domestic savings and investments and greater flow of development funds into member countries".

The Islamic Development Bank, in the past four years, has made considerable progress. Its membership has surged to 40 and their subscription has increased to 760 million Islamic Dinars. The largest subscriptions have come from Saudi Arabia, Libya, the UAE, Kuwait, Pakistan, Algeria, Egypt, Indonesia, Malaysia, Iraq, Qatar, Sudan, Turkey and Bangladesh. A Board of Governors and a Board of Executive Directors, drawn largely from the member states, frames the banking policy and operational practices of the Bank. The President and Chairman of the Board of Executive Directors is a Saudi fiscal expert. Dr Ahmed Mohamed Ali A Vice-President of the Bank is Pakistan's Dr. S.A. Meenai who served for many years as a Deputy Governor of the State Bank of Pakistan. The headquarter of the Bank is located in Jeddah and it is authorized to establish agencies or branch offices elsewhere. The official language of the Bank is Arabic, but English and French are additionally used as working languages.

According to the Bank's President, Dr Ahmed Mohamed Ali, the functions of the Bank are to participate in equity capital and grant loans for productive projects and enterprises and provide financial assistance to member countries in other forms for their economic and social development. The Bank is also required to establish and operate special funds for specific purposes including a fund for assistance to Muslim communities in non-member countries and to set up Trust Funds. The Bank is authorized to accept deposits and to raise funds in any other manner. The Bank assists in the promotion of foreign trade of member states, especially in capital goods. It furnishes technical assistance to member states and training facilities for personnel engaged in development activities and it also undertakes research to enable the economic, financial and banking activities in Muslim countries to conform to the injunctions of Islam. The basic condition for the Bank's membership is that the applying state should be a member of the Jeddah-based Islamic Conference.

A study of the 1978-79 record of the Islamic Development Bank shows that out of its total investment of nearly 760 million Islamic Dinars, 313 million ID's were channelled into project financing (including loans, equity participa-

tion, leasing, technical assistance and profit-sharing basis) while 445 million ID's were funnelled into Foreign Trade Financing. During the fiscal year 1978-79, some 114 projects benefited from the Bank's operations. In its foreign trade financing operations in fiscal 1978-79, the commodities involved were mostly crude oil, urea fertilizer, refined petroleum products, cotton yarn, fuel oil and jute finished goods. A score of member states were the beneficiaries of the Bank's foreign trade financing in the past fiscal year.

RESEARCH STUDIES

Two important research studies undertaken by the Islamic Development Bank during fiscal 1978-79 relate to (a) measures to expand the trade of member states with particular attention to preferential arrangements and (b) possibilities for financing exports from member states and multilateral arrangements for guaranteeing export credits. The first study was being done by the Central Bank of Syria while the second one was being conducted by the Central Bank of Morocco. The two studies are to be examined shortly by the Governors of the Central Banks and Monetary authorities of the Muslim countries.

Projects for which the Islamic Development Bank approved financial assistance during fiscal 1978-79 are located in Malaysia, Mal, Oman, Sudan, Tunisia, South Yemen, Bahrain, Mauritania, Pakistan, the UAE, North Yemen, Bangladesh, Jordan, Turkey, Algeria, Morocco, Somalia, Niger, Uganda, Upper Volta and Palestine (aid for the al-Najah University at Nablus in the Occupied West Bank and the Islamic University in Gaza).

The staff strength of the Islamic Development Bank has increased from 173 to 226, drawn from 25 member states and a few from non-member countries. A pension scheme for the Bank's employees has been approved recently. The Bank has in hand plans for constructing a permanent Headquarters Building in Jeddah, and an international architectural competition for the design of the building is

likely.

The Bank's gross income from operations for the year 1978-79 amounted to 9.7 million Islamic Dinars while the total administrative expenditure was 3.6 million

ID's, showing a surplus of 4.1 million ID's (or U.S. \$ 3.3 million) as against a deficit of \$ 1 million in the preceding year. The Bank has kept substantial deposits with the Saudi Arab Monetary Agency. An increase in its subscribed capital was authorized by the Board of Governors in their recent meeting in Jeddah.

FOURTH MEETING

The fourth annual meeting of the Board of Governors of the Bank, held in Jeddah in mid-March, decided to increase its subscribed capital in order to be able to expand its lending to member states. Fiscal experts opine that the fact, the Bank, during its four years of operations, was able to undertake lending for projects and trade financing to the tune of U.S. \$ 943.32 million, covering 114 operations in 30 member countries is a noteworthy achievement and testifies to the Bank's utility for stepping up the tempo of economic development in the member Muslim countries. Member states are now being invited to increase their share in the subscribed capital. The Bank plans to provide during the current fiscal year interest-free loans and other financial assistance to member states to the tune of about \$ 500 million. It has set up a six-

member experts group to advise in regard to resource mobilization. An eminent Pakistani economist, Mr. M.L. Qureshi served on the Group which met in Paris and Jeddah late last year.

The National Engineering Services of Pakistan, a semi-Government engineering firm, was recently appointed as a general consultant to the Bank for the construction of its head office building in Jeddah. It will draw up the terms of reference to stage an international architectural competition for the design of the building.

The Islamic Development Bank's contribution to Pakistan's economic development has been impressive. Over a four-year period, its loans and foreign trade financing assistance to Pakistan have been in excess of \$ 110 million. Late last year, it gave Pakistan \$ 20 million for oil imports and a loan of \$ 12 million for expanding the Karachi Oil refinery. A number of other Pakistani development projects are being examined by the Bank for assistance.

One of the important tasks that now faces the Bank is to attract, with the attraction of substantial profits, the many billions of petro-dollars which the oil-rich Muslim countries have deposited with Governments and foreign banks in non-Muslim countries.

CSO: 4220

BALANCE OF PAYMENTS DEFICIT IN FOURTH QUARTER

Karachi MORNING NEWS in English 17 May 80 p 7

[Excerpt] Pakistan's Balance of Payments recorded a current account deficit of Rs. 1,558 million during October-December, 1979 as compared with deficits of Rs. 5,320 million and Rs. 2,670 million in July-September, 1979 and October-December, 1978 respectively. The improvement in the current account position over the preceding quarter by Rs. 3,762 million was the combined result of lower import payments by Rs. 1,314 million, higher export earnings by Rs. 1,293 million higher net receipts under invisibles account by Rs. 1,133 million and receipt of Rs. 22 million under the programme of restitution of gold by the I.M.F. to member countries. The net capital inflow of Rs. 2,164 million more than covered the current account deficit yielding an overall surplus of Rs. 606 million during October-December, 1979 as compared with the deficits of Rs. 1,655 million and Rs. 1,311 million in the previous and the corresponding quarter last year respectively.

The deficit on merchandise account decreased to Rs. 4,934 million during the quarter October-December, 1979 from Rs. 7,541 million in July-September, 1979 and Rs. 5,701 million in October-December, 1978. The contraction in the trade gap, over the previous quarter, was attributable to lower import payments by Rs. 1,314 million and higher export earnings by Rs. 1,293 million.

The invisibles account surplus at Rs. 3,354 million in October-December, 1979 was higher by Rs. 1,133 million and Rs. 323 million than the surplus for the previous quarter (Rs. 2,221 million) and the surplus for corresponding quarter of the last year (Rs. 3,031 million) respectively. The deficit on service transactions during the quarter decreased to Rs. 1,176 million from Rs. 1,463 million in the preceding quarter whereas it showed an increase of Rs. 72 million over the corresponding quarter last year. The unrequited transfers accounted for net receipts of Rs. 4,530 million in October-December, 1979 as compared with Rs. 4,084 million in July-September, 1979 and Rs. 4,135 million in October-December, 1978.

The private long-term capital including direct and portfolio investments as also utilization/repayment of foreign loans including credits under PAYE scheme showed a net inflow of Rs. 492 million as compared with Rs. 237 million in the previous quarter and Rs. 476 million in the corresponding quarter last year. The private short-term capital (other than direct investment) comprising mainly of movements in 'Foreign Currency Accounts' maintained with banks in Pakistan recorded a net inflow of Rs. 130 million in October-December, 1979 as compared to net outflow of Rs. 49 million in July-September, 1979 and net inflow of Rs. 81 million in October-December, 1978.

CSO: 4220

FAISALABAD COUNCIL DEVELOPMENT PLANS

Karachi DAWN in English 18 May 80 p 6

[Text] Faisalabad: The District Council Faisalabad, is to spend Rs 33 million on various development schemes during the next Financial year of 1980-81. Out of this amount, over Rs. 15.3 million have been earmarked for the construction of new roads while Rs. 4.5 million for educational schemes and Rs. 4 million for upgrading 40 rural schools. A similar amount has been earmarked for the installation of 80 new tube wells which would be beneficial for providing irrigational water and also help in minimising the water-table in the district, besides the district council have also allocated a sum of Rs. 2 million for repairs of rural dispensaries and supply of medicines while an amount of 1.05 million has been reserved for veterinary dispensaries.

Housing Schemes

The Housing and Physical Planning Department, Faisalabad, has completed 3 low-cost housing schemes in Samundri, Kamalia and Jarawala Tehsils of the Faisalabad District at the cost of Rs. 12 million. This was disclosed by Ch Abdul Waheed, Deputy, Commissioner and Chairman of the Faisalabad Housing Committee in the District Technical Review Committee at a meeting held here recently.

In Samundri Housing Schemes, 562 plots of various categories have been allocated to deserving shelterless people. Applications for the allotment of 555 plots in Kamlia Housing Scheme and 537 plots in Jarawala Housing Scheme have already been invited. The Housing Department have also acquired a suitable piece of land for housing the Gojra Housing Scheme.

The Deputy Commissioner also disclosed at the meeting that during the current year Rs. 44 million have so far been spent over different developmental projects in Faisalabad District. He advised the heads of concerned Departments to speed up the pace of development work and ensure for early completion of the construction work during stipulated period. The Chairman of the District Technical Committee also directed the Executive Engineer of the Faisalabad Public Health Engineering Department to inspect the Gojra sewerage scheme and remove all defects forthwith.

Civic Amenities

The Faisalabad Development Authority will make all out efforts to provide necessary civic amenities in all 33 Kachi Abadies within next six months time. This was disclosed by (Rtd). Brig. Saadullah Khan, Director-General FDA, during a recent meeting of the Authority.

It was further disclosed in the meeting that during next fiscal year, the FDA would allot 11,850 residential plots in 740 acres of land in different localities of the City. This includes 1000 plots of Gulistan Colony (Phase-2). The FDA could also construct a residential colony in Chak No. 196 which would spread-over 387 acres of land. The FDA have also earmarked 2300 plots in Chak No. 225 RB for occupying the dwellers of Kachi Abadies when shifted. The FDA would also construct 2 ultra-modern Super Markets on Sheikupura Road and Millat Road.

A meeting of the District Agricultural Advisory Committee was held here recently under the chairmanship of Makhdoom Ali Raza Shah, chairman, Faisalabad District Council.

It was disclosed in the meeting that during the current kharif season, the targets of Kharif crop would be fully achieved. The cultivation of sugar-cane in 3,25,000, acres and cultivation of cotton crop in 1,96,000 acres of land has been completed. Similarly the Maize crop in 1,85,000 acres of land and rice cultivation in 90,000 Acres would be completed during the current season.

This was further disclosed in the meeting that 63,000 bags of improved variety cotton seed have already been supplied to farmers on soft terms.

The farmers who participated in the meeting assured that they would surely try to achieve the required targets of all crops during the current kharif season.

The number of Industrial Estates in Punjab province will be raised from 5 to 12 during the next fiscal year. This was disclosed by Malik Mohammad Shafi, Deputy Director, Punjab Small Scale Industries, while addressing participants of "Export Marketing Seminar" held here recently under auspices of Faisalabad Chamber of Commerce and Industry.

He further disclosed that the export of carpets and rugs of various types have been increased by 750 per cent during the past seven years time.

Malik Mohammad Shafi said that 7 new Industrial Estates in Faisalabad, Sargodha, Sahiwal, Jehlum Gujranwala, Chakwal and Gujrat Khan in the Province would be established within a couple of years. He said that 5 Industrial Estates in Lahore, Bahawalpur, Gujranwala, Gujrat and Sialkot have already been established.

CSO: 4220

FOURTH POPULATION CENSUS IN 1981

Karachi DAWN in English 18 May 80 pp 1, 10

[Text] The Fourth population census will be held from March 1 to 15, 1981. All preliminary arrangements, in this connection, have already been made by the Population Census Organisation throughout the country.

The Cabinet has approved the dates and three questionnaires for the "Big Count" which were finalised by an advisory committee consisting of Federal and Provincial representatives, demographers and other specialists in the field.

The population census will be preceded by a housing census from No. 1 to 15, this year.

Three forms have been approved for the census. The first form relates to the housing census and the questions to be asked include period of construction of outer wall and roof, sources of water supply and lighting, cooking fuel used in urban areas, availability of kitchen, bathroom and lavatory. A full housing census is being undertaken to provide basic data on housing problems in the country and for further research in the field.

The second form relates to the 100 per cent count of the population and includes questions about residential status, sex, the age, marital status and religion. It also includes a question about the ability of a person to read the Holy Quran.

Sample Count

The third form which is for sample count will cover a section of the population on a scientific sample basis. They would be asked some additional questions pertaining to certain economic and demographic characteristics, in addition to questions of the complete count. These include questions about school attendance, field of educational attainment besides level, migration, type of activity, occupation, industry, employment status, fertility and disability.

The sample for ascertaining the education, economic and demographic characteristics of the population would be much bigger this time than the one used in the last census in 1972.

Mr. Anwar Hussain Siddiqui, Director, Population Census Organisation for Sind, Karachi, told "DAWN" that the last census held in 1972 was delayed by a year because of the events in the then East Pakistan.

He said, that for the first time, there will be fullfledged housing census in the country, which will provide complete frame of all urban structure. In the last census, only house-hold listing was done.

The size of the sample survey this time will be increased by 10 per cent for urban areas and 5 per cent for rural areas giving a weightage average of 6.25 per cent as against 3 per cent in the last count.

1972 Census

According to the 1972 census the total population of the country was 65,309,340. The urban population was 16,593,651 and rural 48,715,689.

The population of Karachi was 34,99,000.

The Population Census Organisation is headed by Dr. Akhtar Hasan Khan, who is the Census Commissioner, and the Provincial Heads are designated as Directors of Census. Under the Directors, there are Deputy Census Commissioners Assistant Census Commissioners and District Census Officers.

Census Officers

In Sind there are 15 Administrative Districts and 74 Tehsils. All the Assistant Commissioners and Sub-Divisional Magistrates of the Provincial Government have been temporarily designated as District Census Officers (52 in all) in addition to their own duties.

The District Census Officers have been appointed for rural and small urban areas with a population of less than 50,000. Urban areas having population of more than 50,000 have been assigned separate District Census Officers. Six officers have been appointed for the Cantonment areas.

The Census Districts have been divided into Census Charges, Circles and Enumeration Blocks, depending upon population. Each Enumeration Block will comprise 200-300 house-holds having an approximate population of 1000-1500.

Rural Areas

Mr. Siddiqui said that in rural areas an upto-date list of Dehs has been prepared after comparing the lists of Dehs from the Revenue Mukhtiaraks

and Registration Department. These lists were sent for further verification, updating and authentication which has been done.

Similarly, the Director of Population Census Organisation said, that the maps of Talukas have been sent to Sensus District Officers for comparing them with the names and number of Dehs in order to ensure that no Deh is omitted from the lists. At present, they are delimiting it into Charge, Circles and Enumeration Block and this will be completed by June 30, 1980.

In Urban areas, one whole map of the town has been prepared showing the boundaries of electoral units. Then a seprate electoral unit map has been prepared in order to demarcate the enumeration Blocks and Circles, Mr. Siddiqui said.

Karachi

Karachi has been divided into nine census districts which will be headed by the Assistant Commissioners and Sub-Divisional Magistrates who will be temporarily acting as Census District Officers.

These districts will be further sub-divided into Charges, Circles and Blocks.

Big Count

After the March 15 Big Count, the figures will be computerised for which a modern computer has been provided at Islamabad and a preliminary report will be published in the form of District Census Report giving all details.

The reports of the 1972 Census were published in 1977, but this time, officials said, delay will not be that long.

During the current fiscal year ending June 30, the Government has provided Rs. 43,01,000 for the Population Census Organisation and in the next budget, a larger amount will be made available for the purpose.

CS. 4220

PAKISTAN

ECC APPROVES STEPS TO CONSERVE ENERGY

Karachi MORNING NEWS in English 16 May 80 p 1

[Text] Islamabad, May 15: The Economic Coordination Committee of the Cabinet, which met here today under the chairmanship of Mr. Ghulam Ishaq Khan, Federal Minister for Finance, Planning, Commerce and Coordination approved wide ranging measures for conservation of energy.

These measures have been recommended by a committee appointed by the Executive Committee of the National Economic Council under the chairmanship of the Additional Secretary, Ministry of Petroleum and Natural Resources to consider and recommend means for conservation of energy, particularly with a view to reducing the oil import bill.

The committee has carried out a comprehensive analysis of petroleum products and their sector-wise consumption and demand rate up to 1981-82 and has recommended a combination of short-term and long-term measures aimed at avoidance of wastage substitution of imported petroleum products by indigenous resources like natural gas, development of renewable sources of energy, accelerated efforts for exploration and development of oil and gas and continued vigilance of energy conservation.

The ECC reviewed and expressed satisfaction over the position of supply of onion, potato, cement and tractors in the country. The committee noted that as a result of increased production and export promotion effort 50,000 tons of onion and over 35,000 tons of potato had been exported since July 1979.

The ECC approved the Pakistan Oil Field Limited's project for installation of liquified petroleum gas plant at Meyal oilfield.

The committee also approved in principle setting up of two cement plants in private sector to be set up in Sind and Baluchistan respectively.

The meeting was attended among others, by Federal Ministers for Production and Industries, Housing and Works and Water and Power and Food and Agriculture and Cooperatives, Governor of the State Bank of Pakistan, Cabinet Secretary and Secretaries of Economic Ministries.--APP.

CSO: 4220

CABINET APPROVES PLAN FOR ECONOMIZING USE OF ELECTRICITY

Karachi MORNING NEWS in English 15 May 80 pp 1, 10

[Text] Rawalpindi, May 14--The Federal Cabinet meeting here today under the chairmanship of the Chief Martial Law Administrator General Mohammad Zia-ul-Haq, approved a programme for economising the use of electricity and for loadshedding.

The Cabinet was informed that as a result of the examination of the power supply and demand position, the shortage till the end of June is expected to be of the order of 200 to 250 mw, because of irrigation releases, the pond level at Tarabala has been reduced which has affected power generation. For the next few years also, these power shortages will continue to occur during winter and early summer.

The Cabinet therefore decided that until the situation improves with the installation of additional capacity, measures for avoiding wasteful use of electricity should be adopted on a national basis during the period from November to June.

Under the programme approved today, street lighting will be reduced by 50 percent on main roads in the cities. During the evening peak load hours, there will be a ban on electric illuminations except on national holidays and also on the use of display lighting and neon-signs. There will be staggering of weekly holidays by industries and reduction of non-essential loads by them. Street lights will be switched on 45 minutes after sunset and switched off one hour before sunrise.

Shops, commercial establishments, hotels and offices will be asked to reduce to the minimum the use of electric power.

Shops will be free to open their shops on Fridays and close on any other week day in order to reduce pressure on power consumption on week days.

Consumers in Karachi will also be asked to curtail their requirements so that any surplus power in the Karachi Electric Supply Corporation system can be fed into the WAPDA system in the South.

The President briefed the Cabinet about his recent visit to Yugoslavia where he met a number of world leaders.--APP

CSO: 4220

STRATEGY FOR UPLIFT OF BALUCHISTAN COAL MINES

Islamabad THE MUSLIM in English 16 May 80 p 8

[Text]

KARACHI, May 15: A comprehensive but brief report on the development of coal mines in Baluchistan on modern lines through participation of local entrepreneurs has been submitted to the government by the committee appointed at the meeting of the Federal Secretaries held in Quetta recently.

The report is part of the new strategy being developed to accelerate pace of economic development in Baluchistan at the instance of President Ziaul Haq.

Headed by Bashir Ahmed Managing Director, PICIC, the committee includes representatives of Resources Development Corporation and Bankers Equity Ltd. The members of the committee visited Baluchistan to make on-the-spot investigations on the problems of coal mines.

Knowledgeable sources said the report deals with financial, technical and transport problems of the industry and suggests measures for their scientific development.

On the basis of the report, they said, a portfolio of projects could be developed and "sold" to the local entrepreneurs.

Genuine entrepreneurs, with ability to execute and run projects will be picked up. They will be attracted by a package of fiscal incentives and concessions tied specifically to coal mining projects and not available to industry in general so as to ensure a reasonable profit to the sponsors.

Technical and financial assistance will also be officially available if required by the prospective investors.

Exporters believe that such a strategy will give a sense of participation to the local people in the economic development of the province and accelerate its economic growth.

If the experiment succeeds, the same policy will be adopted for development of other industries in the province based on local raw materials.

CSC: 4220

SCIENTISTS WILL BE GIVEN INCENTIVES

Karachi MORNING NEWS in English 17 May 80 p 2

(Text) Lahore, May 16--The government is actively considering steps to ameliorate the service conditions and provide incentives for the scientific and technical manpower with a view to enhancing the level of research and development of the industrial and scientific sectors in the country.

According to authentic information, in this connection the government is paying attention to as many as 21 recommendations put forward by eminent scientists.

The recommendations envisage secondment of scientists and technologists from different research institutes and universities to industry and vice versa and it should be encouraged.

Similarly, emoluments and auxiliary benefits like housing, transportation and medical facilities for workers in research and development institutions and universities should be made comparable to those working in the state-managed industries, corporations and Pakistan Atomic Energy Commission.

The proposals stressed that the criteria for promotion should be merit and performance and not the length of service nor the promotion should be subject to the availability of posts in the higher scale and posts should be upgraded as soon as the incumbent completed the requirements for the next higher post.

It is suggested that pay scales and other benefits in all government sponsored research and development organisations should be brought at par keeping in view the qualifications and experience required for the job.

Persons holding master degrees in natural and applied sciences should be recruited in a scale not below National Pay Scale 17.

It is further recommended that the privileges of the inventors and innovators should be safeguarded in case the patents taken out by them are put to commercial exploitation and a suitable percentage of royalty should be paid to the inventors.--PPI.

RAILWAY URGES GOVERNMENT TO WRITE OFF LOAN LIABILITY

Karachi DAWN in English 10 May 80 p 8

[Text] The Pakistan Railway has reportedly approached the Government with a request to write off its loan liability in the form of overdraft taken from the State Bank and which has now accumulated to approximately Rs. 900 million. It has also asked that its current year's losses of about Rs. 225 million may also be waived, it is learnt.

According to reliable sources, the Railway's huge debt liability does not include loans taken from the World Bank and other international agencies for the purchase of material and equipment, as it is maintained in separate accounts.

The Railway claims to have suffered losses despite the fact that it has been increasing its passenger fares and cargo rates almost every six months. Only last year there was an increase of about 30 percent on both counts twice, totalling about 60 percent in the year.

The sources observed that a high-powered commission should be appointed to enquire into the causes which have led to the accumulation of such a huge financial liability in this national undertaking, which was a paying asset until a few years ago. The commission should consist of representatives drawn from important sectors of public life, economists, high military officials, intellectuals and outstanding serving and retired railway experts. They should also investigate the causes of rapid deterioration that has set in the Railway undermining its efficiency and commercial viability. They said that the commission should examine the following major aspects which have adversely affected the commercial economics and smooth working of the Railway:

(i) first, competition between the Railway and road traffic, Economics of Rail and road in national terms should be studied. Horse-power vs. pay-load ratio is 1:4 on an average; the Railway being four times more economical. For a 20-ton road vehicle over 80 H.P. engine is required, but for a 2,000-ton freighter only 2,000 H.P. engine is used. The fuel consumption by road would, therefore, be more than 4 times as compared to rail traffic.

Besides, according to internationally known norms, roads should be complementary to railway and not form a parallel service, specially in developing countries with no oil resources of their own.

b) A large number of trains are reported to be running in loss. Even trains like Khyber Mail and Tazgar barely cut even. The air-conditioned bogies, despite their exorbitantly high rates, are reported to be highly subsidized.

c) Increasing dependence of the Railway on oil, which is becoming costlier day by day. The only answer seems to be large scale electrification to use local source of energy. But this is being put off on one pretext or the other, while the fuel bill is swelling.

d) Over-staffing in certain departments like accounts, stores, etc., need a heavy pruning, specially after computerisation.

e) Mismanagement and inefficiency which have led to frequent breakdown of engines and trains.

Though all these factors have contributed to the Railway's huge debt liability, dependence on oil and non-paying services are the principal reasons for losses suffered by it. Quoting statistics given in the Railway Year Book 1977-78, the sources said that while the total earnings of the Railway in that year was Rs 2,11,8874914/-, it had to spend Rs. 41,72,16,363/- on fuel consumption, which is a little less than one-fifth of its total earnings. In 1977-78, the Railway consumed 3,481 tonnes of foreign coal, 303627 tonnes of furnace oil and 14,1378 tonnes of high speed diesel oil. The average price the Railway paid for these fuels at the receiving end during the year under review was Rs. 739.63 per tonne for coal, Rs. 534.58 per tonne for furnace oil and Rs. 1356.25 per tonne for high speed diesel oil.

In addition, the Railway also bought 47430800 kwh of electricity from WAPDA at a cost of Rs. 30830020 at the rate of Rs. 0.65 per unit. Though these figures relate to year 1977-78 (the last year for which the Railway issued a year book) it can be safely assumed that with 250 percent increase in the price of oil during the last two years, the current Railway bill for imported fuel must have gone up proportionately, to an estimated one billion rupees which could be, roughly speaking, one-third of its total current earnings.

It is, however, interesting to note that the Railway has gradually decreased the amount of coal and furnace oil for its use, while the use of the high speed diesel oil, a costlier fuel, has increased. For example, in 1971-72, the Railways have used 33,622 tonnes of foreign coal, 3,40,271 tonnes of furnace oil, and 1,29,872 tonnes of high speed diesel oil.

Employees

In other words, too, the Railway has given an unsatisfactory performance. According to the Year Book, in 1970-71 the number of railway employees stood at 134,436, and their total cost was Rs. 269,536,000. Less than a decade later, in 1977-78, the number of the employees had jumped to 134,436 and their total cost was Rs. 683,875,000/-, less than one-fourth of the Railway's total earnings in the year under study. The administrative expenses of the Railway rose to Rs. 23,45,4000 which was 15.4 percent of the gross earnings for the year, compared to Rs. 797,23,000/-, in 1970-71, which was 15 percent of the gross earnings for that period. The number of railway employees increased despite the fact that only 254.25 km of railway tracks had been added to 8560.78 km of tracks Pakistan had at the time of independence. The total number of locomotive and Railway in 1977-78 was also less by 163 than what they were in 1970-71.

The Railway Year Book has given additional information which proved that the agency, for some unknown reason, had been working much below capacity. For example, the number of wagons loaded in 1977-78 was 6,83,520 compared to 10,62,730 wagons loaded in 1970-71, showing a decrease of 3,59,230 wagons. The total number of freight wagons carried on each train driven by steam engine during 1977-78 was 30.0 on the average. Out of these 19.6 wagons were loaded and the rest were empty. In the case of diesel electric trains, the number of freight wagons was 35.3 on each train. Out of these 33.4 were loaded and the rest were empty. In the case of trains run by electric locomotives, the average number of freight wagons was 39.6 out of which only 30.9 were loaded.

Out of the total earnings during the year 1977-78, the Railway earned 31.1 percent from passenger traffic, compared to 37.0 percent in 1970-71. Its earnings from luggage and parcel booking in 1977-78 was 3.58 percent of the total earnings, compared to 4.93 percent in 1970-71. The earnings from freight handling constituted 65.3 percent of the total earnings, compared to 67.2 percent in 1976-77.

The sources said that the railway's dependence on oil has to be cut down as a first step towards introducing overall improvement. They said that the railway should rely more on indigenous electric power which is not only cheaper but is also abundantly available in the country, provided it is properly managed.

In this connection the source mentioned that the electrification of the 178 km railway track between Lahore and Khanewal has paid back its cost by now plus three times since it went into operation about 12 years ago. The Year Book also gave statistics to prove that hydel-power used by the railway was more economical than other fuels, apart from total foreign exchange savings. For instance, the average kilometre travelled by steam, diesel-electric and electric locomotives in 1977-78 was 128, 313 and 424 km respectively. The railway was able to achieve a saving of Rs. 17.43 million in 1977-78 only on account of operational fuel on Lahore-Khanewal sector.

The electrification of trunk lines would yield three-fold benefits, the sources said. First, the trains run by electric locomotives will be faster than the regular trains. Secondly, the country will be saving an enormous sum of foreign exchange which it now has to spend on importing oil. Lastly, because of the lower operational costs, travel in electric trains will be cheaper than by the regular ones. Sufficient technical know-how was available in the country and Pakistani technicians are capable enough to undertake electrification of trunk lines tracks, eliminating the need to assign the job to foreign consultants, the sources added.

Unless remedial steps were taken immediately, the possibility of another fare hike this year could not be ruled out, the sources concluded.

CSO1 4220

UPLIFT PLAN FOR RAILWAYS CHALKED OUT

Karachi MORNING NEWS in English 17 May 80 p 3

(text) Lahore, May 16--The Pakistan Railways has chalked out a comprehensive programme for overall development of the railway during the next financial year involving a cost of Rs. 1,120 million including foreign exchange component of over Rs 534 million.

The Chairman, Railway Board, Mr. Gulzar Ahmed, told PPI here today that out of the proposed amount over Rs 534 million including the foreign exchange component of over Rs 162 million would be spent on track rehabilitation.

He said 90-mile stretch of track would completely be renewed during the next financial year and added that 490-mile long main track was to be renewed out of which 200 miles have since been completed and remaining 290-mile long track would be renewed by the middle of 1983.

He said with the completion of this work entire main railway line from Karachi to Lahore would be renewed and speed of trains would further be enhanced.

The Chairman said besides sleepers on 60-mile stretch including 60 miles on the branch line would be renewed. He said 35-mile long track on the branch line would be replaced.

The Chairman Railway Board said during the next financial year work on the new telecommunication, the micro-wave system, would be started and for this project Rs 163 millions would be allocated, which includes foreign exchange component of about Rs 100 million.

Another major chunk of amount would be spent on the locomotives and the rolling stock which includes progressive manufacturing of the locomotives in Pakistan and construction of new coaches in the country.

The Chairman said over Rs 20 million would be spent on completion of oil yard at Mehmed Kot for transporting oil and its products to the upcountry destinations.--PPI

COD: 4220

PAKISTAN

FOREIGN EXCHANGE EARNING FROM RICE EXPORTS INCREASE

Karachi MORNING NEWS in English 17 May 80 p 5

(Text) The foreign exchange earnings from exports of rice have increased from Rs. 2,304 million in 1974-75 to Rs. 4,336 million in 1979-80.

This was disclosed by Dr. Riaz Ahmad Khan, member, Social Sciences of the Pakistan Agricultural Research Council, while inaugurating a two-day national workshop on "rice-yield constraints" held at Rice Research Institute, Dokri.

The workshop, sponsored by Pakistan Agricultural Research Council and Ford Foundation, was attended by scientists of national and international repute.

Dr. Riaz disclosed that Pakistan had the potential to nearly double its rice production and would achieve exportable surplus of about 2 million tons during the next few years. There was also considerable scope, both for expanding rice acreage and yield by adopting improved rice technology.

Lauding the scientific researches being carried out at the Research Institutes of Dokri and Kala Shah Kaku with the assistance of International Rice Research Institute, Philippines, Dr. Riaz said that tremendous progress had been achieved in developing new rice varieties.

Cotton Export

The Cotton Export Corporation of Pakistan (CEC) has earned foreign exchange of over 308 million dollars by exporting 13,57,930 bales of raw cotton during the current financial year up to April 1980.

During the corresponding period last year, the CEC exported 3,14,747 bales fetching foreign exchange earnings of 63.44 million dollars.

According to CEC sources, in terms of value, cotton exports up to April 1980 increased by 386 percent and in term of quantity the increase was 331 percent.

The revised target of cotton export as fixed by the Federal Government at 249.5 million dollars has already been exceeded in the previous month.

During April, the CEC shipped 1,93,110 bales of cotton valued at 44.34 million dollars while during March the exports stood at 3.76 lakh bales valued at 37.8 million dollars.

The main buyers of Pakistani cotton during April were China, Hong Kong, Greece, Italy, Japan, Indonesia, Thailand etc.

Commodity Exchange

Pakistan's exports under commodity exchange agreements stood at Rs. 657.6 million (dollars 66.4 million) or 4.0 percent of the total export proceeds during the first three quarters of the current fiscal year.

Barter exports increased from Rs. 58.6 million in February 1980 to Rs. 67.3 million in March 1980.

The principal trading partners under commodity exchange agreements during the month were Poland (Rs. 21.6 million), People's Republic of China (Rs. 11.2 million), Hungary (Rs. 10.1 million), North Korea (Rs. 9.4 million), Czechoslovakia (Rs. 5.9 million), Sweden (Rs. 4.1 million), USSR (Rs. 3.9 million) and Bulgaria (Rs. 1.1 million).

The main commodities exported under commodity exchange agreements during March 1980 were cotton fabrics (Rs. 22.2 million), leather (Rs. 12.2 million), textile yarn and thread (Rs. 12.1 million), articles of textile materials (Rs. 5.5 million), clothings (Rs. 4.9 million), feeding stuff for animals (Rs. 3.6 million) and floor coverings and tapestries (Rs. 3.0 million). The remaining commodities jointly contributed for (Rs. 3.8 million) during the month under review.--APP

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INCREASE IN EXPORTS REPORTED IN MARCH

Karachi MORNING NEWS in English 17 May 80 p 7

[Text] Pakistan's export receipts during March 1980 amounted to Rs. 2835.5 million (286.4 million dollars) as compared to Rs. 2298.1 million (232.1 million dollars) in the previous month and Rs. 1809.8 million (182.8 million dollars) in the corresponding month last year. The earnings from exports during the month were higher by Rs. 1621.9 million than the average of Rs. 1213.6 million for this month over the past five years.

Export proceeds during the first three quarters of the current fiscal year 1979-80 aggregated Rs. 18582.2 million (1675.0 million dollars) as against Rs. 11289.4 million (1140.2 million dollars) during the corresponding period last year. The monthly average rate, therefore, works out to be Rs. 1842.5 million (186.0 million dollars) which compares with the corresponding nine months average rate of Rs. 1234.4 million (126.7 million dollars) for 1978-79, Rs. 960.1 million (97.0 million dollars) for 1977-78, Rs. 922.2 million (93.2 million dollars) for 1976-77, Rs. 939.5 million (94.9 million dollars) for 1975-76 and Rs. 791.0 million (79.9 million dollars) for 1974-75.

The commodity-wise trend of exports reveals that cotton which fetched the highest foreign exchange of Rs. 690.5 million registered an increase of Rs. 16.1 million as compared to the previous month. Rice was the second biggest foreign exchange earner and export earnings on this account showed an increase of Rs. 68.4 million to stand at Rs. 429.0 million as compared to Rs. 360.6 million in February 1980. The export proceeds from petroleum and petroleum products at Rs. 267.5 million were higher by Rs. 145.4 million as compared to Rs. 122.1 million in the previous month. Receipts from floor coverings and tapestries, textile yarn and thread, cotton fabrics, leather, clothing, articles of textile materials, ships and boats, crude vegetable materials and fresh and simply preserved vegetables, at Rs. 231.2 million, Rs. 195.6 million, Rs. 178.8 million, Rs. 139.4 million, Rs. 88.0 million, Rs. 86.0 million, Rs. 66.3 million, Rs. 38.0 million and Rs. 47.4 million recorded increases of Rs. 50.2 million, Rs. 10.0 million, Rs. 46.2 million, Rs. 36.6 million, Rs. 7.7 million, Rs. 14.7 million, Rs. 65.2 million, Rs. 28.5 million and Rs. 7.0 million respectively as compared to the preceding

month. However, export proceeds of fresh fruit and fresh/dry nuts and fish and fish preparations at Rs. 43.3 million and Rs. 26.0 million depicted declines of Rs. 31.9 million and Rs. 2.5 million respectively during the month under review.

As regards the destinational pattern of exports, People's Republic of China was the most prominent buyer of Pakistani merchandise and paid an amount of Rs. 375.0 million mainly for cotton (Rs. 357.9 million). The second biggest buyer was Japan that lifted goods worth Rs. 208.4 million. The main items of export to Japan were cotton (Rs. 137.0 million), leather (Rs. 21.5 million) and textile yarn and thread (Rs. 11.5 million). Some of the other notable countries in descending order of magnitude of amounts were Hong Kong (Rs. 198.9 million), West Germany (Rs. 171.5 million), UAE countries group (Rs. 162.8 million), Iran (Rs. 141.7 million), Switzerland (Rs. 133.3 million), Saudi Arabia (Rs. 126.5 million), USA (Rs. 110.9 million), UK (Rs. 99.0 million), Sri Lanka (Rs. 90.2 million), Netherlands (Rs. 84.7 million), Madagascar (Rs. 84.1 million), Italy (Rs. 81.6 million), Bangladesh (Rs. 68.9 million), France (Rs. 62.8 million) and Liberia (Rs. 59.9) million.

Exports to RCD countries totalled Rs. 614.1 million (62.0 million) during the first three quarters of the current fiscal year forming 3.7 percent of the total exports as compared to Rs. 375.0 million (37.9 million dollars) during the same period last year. The main items of export to RCD countries during the period July 1979-March 1980 were ships and boats (Rs. 151.8 million), fresh fruit and fresh/dry nuts (Rs. 126.0 million), rice (Rs. 69.6 million), petroleum products (Rs. 61.3 million), articles of textile materials (Rs. 56.5 million), cotton fabrics (Rs. 46.8 million), fresh and simply preserved vegetables (Rs. 22.2 million), inorganic elements oxides (Rs. 11.8 million) and articles of paper pulp and board (Rs. 9.4 million).

Pakistan's exports under commodity exchange agreements stood at Rs. 657.6 million (66.4 million) or 4.0 percent of the total export proceeds during the first three quarters of the current fiscal year. Barter exports increased from Rs. 58.8 million in February 1980 to Rs. 67.3 million in March 1980. The principal trading partners under commodity exchange agreements during the month were Poland (Rs. 21.6 million), People's Republic of China (Rs. 11.2 million), Hungary (Rs. 10.1 million), North Korea (Rs. 9.4 million), Czechoslovakia (Rs. 5.9 million), Sweden (Rs. 41. million), USSR (Rs. 2.9 million) and Bulgaria (Rs. 1.1 million).

'FREE TRADE ZONE' TO COMPETE WITH 'BARA'

Karachi DAWN in English 20 May 80 p 6

[Text] Peshawar--For a variety of reasons, the contraband trade at 'Bara' is not thriving like it did so long; but the elected representatives of the provincial capital have still chosen to lend their weight to the demand of local traders to convert Peshawar into a Free Trade Zone for competing with the smuggler's market.

The suggestion was put across by the Mayor of the Municipal Corporation at the Second Divisional Convention of the councillors here the other day and was duly incorporated in the long list of recommendations finalised at the concluding session.

The demand, however, has failed to impress the economic theoreticians. They are of the considered opinion that whereas the creation of free zone for industrial purposes could bolster the economy of this province, the creation of a similar area for commercial undertakings lost its rationale with the drying up of the channels that fed and flooded Bara.

That the provincial administration too does not view this demand with favour can be guessed from the fact that, ignoring it for the time being at least, it hastened to hold a high-level meeting immediately after the convention to devise ways and means of attracting private capital towards the industrial development of this region.

Governor Fazle Haq, who presided over the deliberations, assured representatives of entrepreneurs present on the occasion that the present regime was keen on the country's rapid industrial development and had offered many incentives with a view to encouraging them.

It was now for the private sector to come forward with an enthusiastic response to this policy.

Problems that came up for discussion included the location of various industrial units, financing the foreign exchange counterpart of machinery, supply of gas to industrial estates and marketing facilities for the end-product or the envisaged units. Regional chiefs of the concerned departments and

organisations explained the procedural difficulties and many ways of resolving these were worked out.

Various recommendations in this connection are being made to the Federal Government and more facilities might be provided to the new entrants into the field of industry in the ensuing fiscal year.

But even without any further facilities the province offers a wide scope to industrialists. If they have not taken full advantage of the situation so far, they are themselves to blame. Short-term investment with quick returns has all along fascinated them more than anything else.

Commercial activity has thus flourished almost to the exclusion of other forms of economic enterprise. Permanent investment has been made largely in real estate because it is prestigious and calls for little managerial skill.

Those earning huge profits from trade include quite a large number of tribesmen who have worked their way to wealth by dint of hard work and courage to run heavy risks. Their successful career served as an example worth emulating for many of their fellow tribesmen and gradually wholesale and retail markets sprang up at Landhi Kotal and Bora respectively, posing a serious threat to Peshawar trade. Hence the city traders' demand to make the provincial capital a Free Trade Zone.

The private sector, it is felt, has to be reoriented to take greater interest in industrialisation before expecting a positive response from it to the incentives given and appeals made by the government.

Even those who have taken to industry have yet to be convinced of the need for constant research on the ways of improving their products and cutting down the cost of production. Few of them appeared to have any knowledge of the existence of PCSTIR Laboratories at Peshawar to which they could take their technical problems and fewer still were those who had actually sought the help of this organisation. At least that is what transpired when the Federal Secretary for Science and Technology visited the Sarhad Chamber of Commerce and Industry here the other day.

With that situation obtaining in the most advanced urban area of the province, the state of affairs in the rural areas can be anybody's guess. The Appropriate Technology wing of the Ministry has developed and installed microhydel generating plants to electrify certain Suri villages. These plants are based on water wheels used for ages past to run watermills. They have also developed single units which could be as good a source of energy in the villages in plains as the water wheels have proved themselves in the hills. The wing has also developed easy-to-work machines for crushing sugarcane and dehydrating fruits and vegetables.

These and many other advanced techniques could be popularised by the councils in the rural areas of the provinces if the matter is included in their initiation and other courses which are becoming a regular feature at the Pakistan Academy for Rural Development which once housed the Provincial Assembly.

CSO: 4220

ONE CRORE RUPEES FOR BALUCHISTAN FOREST DEVELOPMENT

Quetta BALUCHISTAN TIMES in English 4 May 80 p 1

[Text]

QUETTA, May 3 : The Government of Baluchistan is paying maximum attention for the development of Forests in the Province.

In this connection the Government is spending a considerable amount of rupees one crore fifty nine lakh and ninety one thousand and on various on going and new schemes during this year.

Under the programme, a sum of rupees eleven lakh and sixty six thousand is being spent on tree plantation scheme around Quetta, out of which point 175 million rupees will be spent during financial year ending on 30th June 1980 while 1.305 point million rupees are being spent for raising green belt around Quetta city.

Similarly, a sum of rupees twenty seven lakh and sixty five thousand are to be spent on protection & preservation of forests in Baluchistan.

A plan for the development of Forest Nurseries

in Baluchistan has also been taken in hand with an estimated cost of rupees eighty lakh.

Another sum of rupees thirty nine lakh and fifty seven thousand has been estimated for the afforestation around Khuzdar and planting on road side along RCD highway, out of which five lakh rupees will be spent up to the end of financial year ending on 30th June 1980.

In Nasirabad District, a canal side plantation scheme has been initiated with a total cost of rupees 10 lakh & forty thousand out of which 1 lakh 54 thousand rupees will be spent upto the end of the current year.

Another sum of rupees ten lakh has been earmarked for soil conservation and dry afforestation in Maur — ligh hild (Kachi District) out of which rupees two lakh are being spent during this fiscal year.

All these schemes are expected to be completed soon.

ABOLITION OF CEMENT AGENCY SYSTEM URGED

Laheore THE PAKISTAN TIMES in English 5 May 80 p 3

[Text] The Federation of Punjab Contractors and Punjab Cement Retailers Association have expressed concern over abnormal rise in prices of construction materials and urged the Government to take steps to stabilise the prices of building materials.

Mahr Gulzar Hussain, Contractors Federation President, said in a statement that contractors found it difficult to complete the on-going projects due to sky-high prices of raw materials. Iron bar prices had increased from Rs. 5,500 per metric tonne to Rs. 7,100 per metric tonne during the past two months. A cement bag priced at Rs. 58 was available below the fixed price recently but the commodity has disappeared from the open market suddenly and dealers demand Rs. 70 for a bag. Brick prices have also registered an increase and are being sold above Rs. 400 per thousand. Denial of 76 percent ex-gratia payment to contractors in accordance with the Government announcement made in October last had also slowed down the progress of development schemes. Only grant of ex-gratia on flat rate and supply of building materials at fixed prices could ensure completion of development works in accordance with the schedule, he said.

Anjuman Cement Khurda Faroshan, Punjab has demanded abolition of cement agency system and disposal of the commodity directly through retail outlets to eliminate the black-marketing of the commodity. Through a resolution adopted at its meeting held on Saturday, the Anjuman pointed out that cement stockists had no connection with building material trade but were being allowed a margin of Rs. 6.50 per bag. All they did was that they booked cement orders, took delivery of the commodity from the railway stations and distributed it among the retailer building material dealers. The retailers were allowed a margin of Paisa 50 per bag only. Many stockists sold their permits to third parties which disposed of the commodity in the black market. The commodity could be sold Rs. 5 per bag cheaper if the stockists were eliminated and cement was sold to the retailers directly from the railway station godowns.

CSO: 4220

IRRIGATION WATER LOSS ALARMING

Lahore THE PAKISTAN TIMES in English 5 May 80 p 5

(Text) Islamabad, May 4--Of the 102 million acre feet of water diverted to the canals only 11 million acre feet becomes available to the crops while the bulk goes waste every year, according to an expert study.

This is an enormous loss in terms of money because making an acre feet of water available by constructing dams costs more than Rs. 300.

Under the existing irrigation complex, there are 491 principal canals linked by a vast network of distributaries and water courses covering about 34.5 million acres of culturable lands in the plains of the Punjab and Sind.

The canals feed watercourses through unregulated modulus with minimum water level fluctuation if the availability falls short of demand, the rotation of supplies is managed to have equitable distribution. Nearly 25 percent of water is lost in this process.

It is believed that water loss is not real because it adds to groundwater storage and can be retrieved. But this is not true in all the cases. It also causes water-logging and salinity, therefore, it would be wiser to use water more judiciously over surface than build up ground reservoir and pump it back at double the cost.

A team of Colorado State University experts with the support of NAPDA at Mina, near Bhawal in District Sargodha, had demonstrated that the losses are really alarming and to minimise the losses, inexpensive strategies can be adopted. The proper maintenance of water course will make 51 million acre feet of more water available.

The result of this statement has been further verified by an action plan in the Punjab, under which 10,000 watercourses were renovated in six weeks, cutting water losses to considerable level.

The experts are of the opinion that radical changes are required in the canal regulation system to meet the crop water requirements as and when needed.

The modifications require heavy expenditure but a start is possible at watercourse level. A crop plan may help to manage water at that level properly.

Besides, unevenness of the fields, faulty irrigation practices by the farmer were also the major factors of the loss for which a vigorous campaign to educate the farmers may prove helpful.--APP

CBO: 4220

MAJOR STORAGE FACILITIES IN PUNJAB

Peshawar KIYBER MAIL in English 8 May 80 p 6

[Text] LAHORE, May 7: The Punjab Provincial Development Working Party has cleared eight schemes providing for a total of one lakh tons of foodgrain storage facilities in different parts of the province, APP learned officially.

The schemes are to be implemented by June 1982 at an estimated cost of rupees 751.85 lakh in Muaffargarh, Gujranwala, Multan, Sahiwal, Kasur, Sialkot and Vehari District and Sargodha and Bahawalpur Divisions.

The meeting which took the decision to augment storage facilities was presided over by the Provincial Finance Secretary, Mr. Sadiq Saeed Khan and attended by senior officials of the concerned departments, also approved 17 other development schemes pertaining to food storage, agriculture, health, education and roads and bridges.

The schemes approved by the party also included

strengthening and streamlining pest scouting and forecast system in the Punjab (at a cost of rupees 70.36 lakh), subsidy on sinking of private diesel tubewells (rupees 200 lakh), continuation of the scheme for the control of codling moth on apple orchards in the Murree hills (rupees 63.30 lakh) second phase of soil conservation in mini dams catchment areas (rupees 30 lakh), upgradation of polytechnics situated at Lahore (both women and men), Sialkot, Faisalabad and Sargodha (rupees 977.30 lakh), improvement of the Islamia College Railway Road, Lahore (rupees 174.22 lakh) construction of roads in the de-excluded areas of Dera Ghazi Khan (rupees 67.77 lakh), construction of metalled road of Lower Topa Gujehra Gali in the Rawalpindi District (rupees 42.24 lakh) improvement and widening of Mianwali, Muaffargarh road (rupees 86.52 lakh) and construction of basic health units in the Rawalpindi District. —APP.

CSO: 4220

RECORD WHEAT PRODUCTION EXPECTED THIS YEAR

Peshawar KHYBER MAIL in English 8 May 80 p 6

[Text] Lahore, May 7: Rear Admiral M. Farid Janjua, Federal Minister for Food and Agriculture, today said that this time Pakistan was expected to have an all time record wheat production of 10.8 million tons as against the target of 10.6 million tons due to the better and timely use of inputs by the farmers.

In an interview on his arrival from Islamabad at the airport, the Minister said that the wheat production of the current rabi was ten per cent more than that of the corresponding period last year when 9.9 million tons wheat was produced.

In reply to a question, he said that the federal government would import wheat this year with a view to build up its reserve stocks. The government wanted to have a reserve stock of wheat at one million ton, and if the storage facility was available it would like to have two million tons.

Mr. Janjua said that this time 80 per cent fertilizer had been used in addition over the last year whose availability was ensured to the farmers.

Approved varieties of wheat were also used in large number.

Regarding cotton crop, he said that this year 4.3 million bales were produced which was also a record production and was the result of the efforts of all the concerned agencies and the farmers. He said in the case of cotton crop, the technique of integrated pest control was applied in a wise manner.

To a question about sugar crisis, he said that the sugarcane production was all right. But, he added, most of the cane was diverted by the farmers towards gur production. About 70 per cent sugarcane was used in gur production in the villages.

The Food Minister said that the Sind Province had a better sugarcane crop as compared to other provinces.

The sugarcane produced in Sind had 10.5 per cent sucrose content as compared to nine per cent in the cane of Punjab.

In reply to a question, he said that this year the government would import sugar to the minimum requirement of the country. He said that Pakistan produced 60 pounds sugarcane per acre which was the lowest per acre yield in world.

He said that the government was providing incentives to the farmers and the sugar mill owners under the national policy.

He added that the government had given exemption in the excise duty to the mill owners on the sugar production above the average of the last three years' production.

CSO: 4220

BETTER PROSPECTS FOR JUTE CULTIVATION SEEN

Karachi DAWN in English 9 May 80 p 5

[Text] Brighter prospects for jute cultivation exist in Pakistan. Given concerted efforts to soil research and application of modern techniques to jute growing, Pakistan can regain its pre-1971 position among the world's jute exporting countries, experts assert.

Until '71, Pakistan was the main producer of jute--or golden fibre as then popularly called--supplying 75 to 80 per cent of the global requirements. But when its Eastern Wing (now Bangladesh) was set apart through Indian aggression, she fell short of its even to meet her own needs.

Since the break-up of former East Pakistan jute has been on the regular list of imports and in 1974-76 jute import bill'd Pakistan Rs 24 crores.

Jute cultivation which began initially in 1972-73 in an area of 1,000 acres, now covers some 30,000 acres. It is estimated that some 300,000 acres are needed for jute cultivation to meet country's current demand for raw jute.

Present consumption of raw jute in the country's six jute mills stand at 46,000 tons, as capacity utilisation of these mills averaged at 55 per cent. One 100 per cent operation of these mills is attained, the total demand would jump to 90,000 tons of raw jute.

Country's jute production comes to only 46 per cent of the total demand and the balance is met through import.

In view of the recently sanctioned six jute mills' installation in the country coupled with steady and rapid increase in the production of wheat, rice, pulses, cement, oil seeds, etc., the demand for jute goods during the next four years is estimated at 140,000 tons.

The ever-rocketing demand for jute goods and availability of vast possibilities for jute cultivation in the country, experts underscore the need for immediate attention of our economic planners to the extension of jute growing acreage and expansion of its industry.

Experts estimate that given two million acres to the jute cultivation Pakistan can not only become self-sufficient in jute but can also earn 1.5 billion dollars alone through exports of raw jute and jute goods, much in demand now in the developing countries.

Caught in grim oil price oil hike the jute substitutes industry all over the world has massively been shaken and as such once again the jute made containers are in great demand, especially in the Third World countries.

Frequent oil price revision by the oil producing and exporting countries has brightened the prospects for jute and kenaf cultivation and setting up of their allied industry. The situation at hand is very much similar to 1952-53 when Korean war has created jute boom.

And, as such experts suggest immediate attention to jute/kenaf growing in large areas to exploit the situation in favour of the national economy. Quite a few investors have recently turned to jute industry as they have realised that the country is yet to cover a vast ground in the way of attainment of self-sufficiency both in raw and jute goods.

Keeping in view the rising demand for jute goods within the country the Government has okayed the installation of six more jute mills.

In the Fifth Plan, Government has also provided an investment of Rs 300 million and set aside Rs 90 million for balancing, modernising and replacing of the existing facilities in the jute industry. By the end of the Plan period the spindlesage and loomage would total 25,000 and 3,500 respectively.

Experts are of the opinion that due attention to the jute cultivation and expansion of its and its allied industry can go a long way to beef up the national economy and help reduce the ever-widening the balance of payments considerably (now stands seven billion dollars).

Extension of jute cultivation would also benefit the country's economy in many other ways, the experts continue to stress. Firstly, it would save some 40,000 to 50,000 acres of land annually, which are going out of cultivation due to water logging and salinity.

Secondly, it would supply huge quantity of plant nutrients for preserving soil fertility and fuels of villages and thereby release cattle-dung for manure purposes.

Imports of chemical pesticides would considerably be reduced, provided jute cultivation is undertaken in rotation with the main crops like rice, the per acre yield of which is one of the lowest in the world due to its being highly pestprone.

Lastly, jute piths (dry sticks after extraction of fibre) can provide sufficient materials for setting up paper and board industries, and help save several million rupees in foreign exchange annually, now being spent on their imports.

Despite existing huge possibility for jute cultivation in the country, experts assert, it has been neglected due to misconceptions that jute grows in flood conditions and in areas where there is plenty of rains and cheap labour. But the fact remains otherwise.

They point out that jute plants can feasibly be grown on "katcha" lands around the river's banks. Some a dozen river banks with vast tracts of land throughout the country provide fair opportunity for jute plantations.

The mighty Indus alongwith long courses of Sutlej, Beas, Ravi, Chenab and Jhelum in Pakistan heightened the prospects of jute cultivation on commercial scale beyond any doubt. Giving the water requirement for jute growing, the experts maintain that it requires 36 inches, the same needed for cotton, as against 76 inches for rice and 96 inches for sugarcane. Besides, jute engages a land for a period of four months or (120 days) as against five months for cotton and 11 months for sugarcane. The experts also point out that per acre net income from jute, in growing on modern lines, can be some five times as much as either rice or cotton and three times as much as sugarcane.

Except Baluchistan, jute has feasibly been grown in NWFP, the Punjab and Sind provinces. Jute is now extensively grown in D. I. Khan, Bannu, Peshawar, Mardan and Swat in NWFP; Multan, Muzaffargarh, Shaiwal, Bahawalpur, Rahimyar Khan, Faisalabad, Jhang, Sargodha, Kasur, Gujranwala, Sialkot, Sheikhupura and Gujrat in the Punjab; and Dadu, Thatta, Badin, Hyderabad, Nawabshah, etc. in Sind, the per acre yield in these places averaged seven to 20 maunds.

Compared to 29 maunds in China, 25 maunds in USSR, and 21 maunds in Indonesia, the current per acre output is lowest. But the experts stress that yield can considerably be raised further, provided scientific methods and high yielding varieties are employed.

However, jute obtained from the three provinces of Pakistan are stated to be as good as that grown in Bangladesh the nativeland of jute.

Farmers in some of the districts of Punjab, Sind and NWFP have adopted jute as regular crop cultivation. Since its cultivation does not clash with any of rabi or Kharif crops. Experts stress that the farmers in other districts should be motivated to undertake jute cultivation as regular crop.

To clip it further, the cultivation of other fibres like kenaf be encouraged. Kenaf grown abundantly in Baluchistan and some parts of Sind and NWFP. The Kenaf fibre, the research has shown, possesses the characteristics of coir, jute, sisal and flax.

A little attention to this widely grown shrub can turn it into a regular source of packing materials and help the country earn substantially.--APP Feature Service.

CSO: 4220

DECREASE PREDICTED IN SUGAR 1979-80 PRODUCTION

Islamabad THE MUSLIM in English 12 May 80 p 7

[Text] The upsets faced by the sugar industry during 1978-79 seemingly persisted during the current (1979-80) season as well. However, the severity has differed in degrees in different province. The mills in the NWFP in particular sustained setbacks to their operations and profitability for the second season in a row. The preliminary reports about the overall conditions faced by the mills in the Punjab indicate reversals in a majority of mills. The mills in Sind appeared to have fared by and large satisfactorily but here again, the mills located in the low lying areas suffered shortage of cane supplies due to unexpected heavy rains earlier during the season.

On the whole, sugar production during 1979-80 is not expected to show any significant improvement. It will be recalled that in 1977-78, season, sugar production hit a new peak at 8.56 lakh tons but this was followed by a sharp drop in 1978-79 to around 5.80 lakh tons and consequently, the Government had to make arrangements for the import of nearly one lakh tons of sugar. In the light of the available indications, it seems that sugar production in 1979-80 season is not expected to exceed 6.00 lakh tons.

Out of 31 sugar mills in operation in the three provinces of the country, 15 sugar mills closed their crushing operations in February 1980. All these mills on an average operated for less than 100 days, as against the average crushing season of 160 days. The conditions in the Frontier province in particular continued to be unsatisfactory. All the five sugar mills of NWFP closed operations in the last week of February 1980 but Charsadda Sugar Mills reportedly wound up the season as early as on 17th December, 1979 while Bannu Sugar Mills closed on 23rd January, 1980.

As regards the Punjab mills, about 50 per cent of them closed in the 3rd week of February. The mills in Sind however, continued to be in operations in March 1980 with the exception of Larkana Sugar Mills which closed on 29th February, 1980.

The exceptionally worse supply position of sugarcane in the NWFP during the current season was attributed to continued large-scale diversion of available

cane production to Gur making because Gur prices ruled unusually high over Rs. 10 per kilo due to the acute shortage of sugar in the province. The increase in prices of sugarcane in the three provinces, announced in October, 1979 was generally described by the mills as a delayed decision since the cane crop had by this date grown to almost harvesting stage and therefore, with the increase in prices, larger areas could not have been brought under sugarcane cultivation. The farmers got the windfall from overnight rise in their standing crops. However, in the NWFP in particular, the cane supplies to sugar mills did not improve and Gur makers offered still better prices to the cane growers. The profitability of some of the mills, despite drop in sugar production due to the reduced crushing period is expected to be fairly good. This may be explained by the fact that alongwith increase in cane prices in October 1979, the Government also increased the procurement price of sugar (ex-mill) to Rs. 187.55 per maund from the previous price of Rs. 160.00 per maund.

In Punjab, the overall situation remained unfavourable in 1979-80 due to fallen-off availability of sugarcane. The increase in the prices of cane from Rs. 5.75 to Rs. 7.00 in October 1979 did not bring about desired results although the sucrose recovery was reported to be relatively better at around 9.50 per cent.

The cane supplies in Sind have remained on the whole satisfactory during 1979-80 and as indicated above, almost all the mills--with the exception of one or two--were continuing crushing operations in March. The sucrose recovery percentage in certain areas averaged below 10 per cent--around 9.90 per cent as compared with over 10.0 per cent in 1978-79.

It will be recalled that a second round of price increase was announced by the Government in early March 1980 for the 1980-81 season.

A comparative study of cane prices is given below:

| Years | Punjab | Sind | NWFP |
|---------|----------|----------|----------|
| 1978-79 | Rs. 5.75 | Rs. 5.90 | Rs. 5.50 |
| 1979-80 | 7.00 | 7.15 | 6.75 |
| 1980-81 | 9.00 | 9.15 | 8.75 |

Thus the rapid increase in sugarcane prices has pushed up cane to a new high. It is expected that sufficiently advanced announcement of official prices of sugarcane for 1980-81 might provide an impetus to farmers to bring more areas under cane cultivation and thus the shortage of sugarcane experienced by the mills during the last two seasons would be removed in the 1980-81 season. As to whether, Gur making would continue to give hard times to the mills in NWFP and Northern Punjab, the time alone will show.

CSO: 4220

BRIEFS

PATEL NEW JUSTICE--Rawalpindi, May 15: Mr. Justice Dorab Patel, Senior Judge of the Supreme Court, was sworn in as the Acting Chief Justice of Pakistan, at a ceremony held at the Presidency here this morning, it was officially here. The oath of office was administered by President General Mohammed Ziaul-Haq. Mr. Justice Dorab Patel will act as Chief Justice of Pakistan during the absence abroad of Mr. Justice S. Anwarul Haq, Chief Justice of Pakistan. The ceremony was attended, among others, by Syed Sharifuddin Pirzada, Minister for Law and Parliamentary Affairs Mr. Justice Mohammad Haleem, Judge of the Supreme Court, Cabinet Secretary and Law Secretary.--APP. [Text] [Karachi MORNING NEWS in English 16 May 80 p 1]

EXPORT EARNINGS--Pakistan's export earnings have crossed the figure of two billion dollars in the current fiscal year, informed sources said here yesterday. These sources said country's total export earnings in current fiscal year till the end April amounted to 1,987.44 million dollars and have crossed the two billion figure in the first week of this month. They said exports have maintained their rising tempo in the month of April this year also setting a total amount of more than 213 million dollars in one month. During last 10 months in the current fiscal year ending April, the sources said, rice has emerged as the highest foreign exchange earner item realising about 378 million dollars followed by cotton which fetched about 307 million dollars. Other items which earned substantial foreign exchange during this period include cotton cloth over 190 million dollars, yarn about 173.61 million dollars, carpets 170.40 million dollars, petroleum products 144.37 million dollars, fish 46.69 million dollars and other items more than 400 million dollars. Export earnings during July 1979 to April this year period showed increase of more than 48 per cent over the exports in same period of last fiscal year.--PPI. [Text] [Karachi MORNING NEWS in English 16 May 80 p 8]

SUI GAS SAVINGS--Quetta, May 18: The production of Sui gas is saving approximately 8 billion in foreign exchange per annum to the country. According to official sources, over 23 per cent of the originally estimated recoverable reserves of gas at Sui have so far been consumed. The remaining reserves are equivalent to approximately 908 million US barrels of furnace oil, 271

million tonnes of indigenous coal and 491 billion kilowatts of electricity production. At present, average export price of furnace oil reserves at Sui is valued at Rs. 220 billion. [Text] [Karachi MORNING NEWS in English 19 May 80 p 6]

POWER CAPACITY TO RISE--Islamabad, May 12: After the installation of some more generating units at Tarbela, Warsak, Mangla and thermal units at Guddu, Kotri and Quetta the power generating capacity of Pakistan will rise up to 2,465 MW during the next two years, it was realibly learnt. The projects, which are in hand, include addition of two generating units of 175 MW each to Tarbela, commissioning of units 7 and 8 at Mangla, 5 and 6 at Warsak, 3 at Guddu, 5 and 6 at Kotri and further addition at Quetta turbine. The addition to Tarbela, Mangla, Kotri and Quetta will cost Rs. 2409.83 million with foreign exchange component of Rs. 1954.60 million. The cost of other schemes is being worked out. Meanwhile plans are also in hand to complete units 9 to 12 at a cost of Rs. 4,800 million at Tarbela by October 1985. Beside the hydroelectric power available at Tarbela, Mangla and Warsak, the capacity at thermal units will also be increased to make up deficiency in power generation during lean water period. Thermal unit 3, which is being installed at Guddu with Soviet assistance will be completed in November, this year. This power will be consumed mainly in the areas located south and west of Guddu during the low water months. [Text] [Karachi DAWN in English 13 May 80 p 10]

ISLAMIC SHIPPING COMPANY--The framework and the outline of the proposed Islamic shipping company has now reached an advanced stage of completion. This was stated by the Assistant Secretary-General of the Islamic Chamber of Commerce and Commodity Exchange, Agha M. Ghous, on return to Karachi from Geneva after a detailed discussions with experts in shipping division of UNCTAD and trade experts in GATT. The present exercise, the Islamic Chamber Executive said was not only to prepare an economic feasibility for Islamic shipping company but also its memorandum and articles of associations. Agha Ghous said that he also held detailed discussions in London with Mr Mustafa K. Gokal, President's Adviser on Ports and Shipping on the structure of the proposed shipping company before preparing the final draft for consideration at the next expert group meeting on shipping scheduled to be convened by the organisation of Islamic Conference and the Islamic Chamber within the next few months.--APP. [Text] [Karachi DAWN in English 16 May 80 p 5]

IDA LOAN FOR PICIC--A fresh line of credit of 40 million dollars has been approved by the International Development Association for development projects financed by the Pakistan Industrial Credit and Investment Corporation, it was announced here last evening. The Asian Development Bank also recently approved 40 million dollars for the PICIC. With the availability of credit from the two international financing agencies, PICIC is now in a better position to finance projects requiring foreign exchange. The IDA credit to PICIC is the eleventh line of credit from the World Bank since its inception in October 1957. The IDA is an affiliate of the World Bank.

"The availability of these lines of credit would enable PICIC to accelerate the pace of its financial assistance to the private industrial sector," a Press release of PICIC said. [Text] [Karachi DAWN in English 18 May 80 p 8]

IDA LOAN FOR WAPDA--Lahore, May 15: International Development Association (IDA), an affiliate of the World Bank, for soft term loans, is to provide WAPDA 45 million dollars for its secondary transmission development. The four-year programme popularly known as third power project is to cost 505.9 million US dollars out of which European Economic Community special action account credit of 35 million US dollars and the Asian Development Bank are to provide 25 million US dollars in foreign exchange besides the IDA credit. Both IDA and EEC special account credits are for 50 years including ten years grace period. These are interest free but three fourth of one percent service charge to cover administrative costs.--PPI. [Text] [Karachi DAWN in English 16 May 80 p 20]

BARA RIVER CANAL--A press release of the FATA Development Corporation says that Bara River Canal schemes have been completed at a cost of Rs. 52.30 million to provide irrigation facilities to 44,972 acres. Out of the area 38,332 acres fall in Khyber Agency and the remaining 6,640 acres in Peshawar District. For the first time full supply of 280 cusecs has been allowed into the Bara River Canals and another 115 cusecs have been allowed in the Bara River for the use of the lower riparians in the settled district of Peshawar. The total area reclaimed and provided irrigation facilities during 1979-80 is 23,500 acres. With the restoration of full supply in the canals the areas to be reclaimed and irrigation facilities provided are expected to be much more during the coming year to achieve irrigation for the target area of 44,972 acres. All the structures and the canals are functioning satisfactorily. [Text] [Peshawar KHYBER MAIL in English 1 May 80 p 6]

SLEEPER FACTORIES--Lahore, May 3--Four new concrete sleeper factories of the Pakistan Railways will be installed in the country within a couple of months and these would go into operation by December next, Chairman, Railway Board, Mr. Gulzar Ahmed said here today. He told the APP that the factories would have the capacity to produce four lakh sleepers annually. These factories were being installed at Kohat, Khanewal, Kotri and Shaheenabad (Sargodha). Almost 90% of their machinery had already arrived and the rest would also be imported by June next, he said. The chairman said that these factories would enable Pakistan Railways to save foreign exchange to the tune of Rs. 15 crore annually, presently being spent on the import of wooden and steel sleepers. He was of the view that the production at these factories would help the railway authorities to further improve the rail track throughout the country in order to run faster trains in a greater number.--APP [Text] [Peshawar KHYBER MAIL in English 4 May 80 p 2]

CEMENT SHORTAGE--Cement is in acute short supply in Lahore. A cement bag priced at Rs. 58 is selling at Rs. 65 in the blackmarket. The commodity was available in plenty in the city a fortnight back. Stockists were disposing of their stocks at Paisa 50 to Re. 1 below the fixed price of Rs. 58 per bag due to the bulk supplies at their disposal. Retailers and consumers were also satisfied with the supply position. Cement supplies arriving in Lahore from factories started decreasing when some of the stockists

reportedly complained about the growing surplus stocks. Only 10 to 15 wagons are reported to be arriving in city daily instead of 70 to 80 being unloaded a few weeks ago. Cement retailers and consumers are running in little circles for getting their cement requirements. Meanwhile the stockists find no difficulty in disposing of their quota at Rs. 65 per bag at the Lahore Railway Station. Construction activity has slowed down and a large number of workers have been rendered jobless. Mian Moazzam and Syed Nazhar Hussain, Punjab Anjuman Cement Khurda Faroshan President and General Secretary, have demanded an inquiry into the circumstances leading to the acute shortage and blackmarketing of cement in Lahore. They have demanded disposal of entire cement production through retailers throughout the province to check overcharging and ensure availability of the commodity in all the nooks and corners of the c'ty. [Text] [Lahore THE PAKISTAN TIMES in English 1 May 80 p 4]

FLAT ALLOTMENTS--London, May 2--Matters concerning procedure for allotment of 1,000 flats to overseas Pakistanis in Clifton, Karachi, were reviewed at a high level meeting held here under the chairmanship of Mr. Muazzam Ali, Adviser to the President for Overseas Pakistanis. Attended by senior officials of Pakistani banks in U.K. and Pakistan Embassy, it considered the time table for inviting applications from the Pakistani community in Britain. Countries where Pakistanis are living have been divided into five zones. Ballot for U.K. and Europe will be held in London, for USA and Canada in New York, Saudi Arabia in Jeddah, South East Asia in Hong Kong and Gulf States in Abu Dhabi. It will be conducted by Pakistani banks. Distribution of flats will be made on percentage basis for each zone. The cost of each flat will be guaranteed by the KDA. More flats will be made available to overseas Pakistanis at a later stage. It may be mentioned here that the scheme was initiated by the Adviser to the President for Overseas Pakistanis and has already been approved by the Government. Speaking on the occasion, Mr. Muazzam Ali stressed the need for informing successful applicants about the progress of work every six months. --PPI [Text] [Lahore THE PAKISTAN TIMES in English 3 May 80 p 13]

REFUGEES' INFLOW INCREASING--May 3--The inflow of Afghan refugees from the areas bordering Dir and Bajaur has been on the increase over the last few weeks. The fresh influx, according to official sources, had raised the number of registered refugees to almost six lakh, while there were estimated to be another one lakh or so who had not been registered. The sources added that about 60,000 Powindahs were in addition to the refugees and with the advent of summer they were now shifting to the cooler places within Pakistan. The Powindahs, it pointed out, were registered as they could enter Pakistan only through the specified points. [Text] [Lahore THE PAKISTAN TIMES in English 4 May 80 p 5]

FOREIGN CURRENCY INTEREST RATES--Karachi, May 3--The State Bank has reduced rates of interest on foreign currency fixed and term deposits of \$100,000 and above with effect from April 29, it was learnt here. According to instructions sent to various banks, the interest rate of fixed and

term deposits stand reduced as under: For 3 months and over but less than 6 months--17.50 percent per annum; For 6 months and over but less than 12 months--16.50 percent; For one year and above--15.50 percent per annum. Authorized dealers have been advised to make a note of the changes in interest rates. Interest rates for foreign currency fixed or term deposits of below Rs. 100,000 however, remain unchanged. [Text] [Lahore THE PAKISTAN TIMES in English 4 May 80 p 9]

MALAYSIAN MINISTER'S VISIT--Islamabad, May 11: The Malaysian Minister for Transport and Shipping, Lee San Shoon, will arrive here on May 26 on a four-day official visit to Pakistan, official sources said here today. The Malaysian Minister will hold talks with Federal Minister for Communications, Mohyuddin Baluch on co-operation between the two countries in the field of shipping. Matters relating to cooperation in other allied fields would also be discussed during the meeting. It is hoped that the two sides will also explore possibilities for setting up of the joint shipping line between Pakistan and Malaysia. During his visit to Karachi, the Malaysian Minister will inspect various shipping projects and hold talks with the shipping officials there. The Malaysian Minister who is also the incharge of Aviation Department of his country will also hold talks with the officials of Aviation Department for increasing co-operation between the two countries in aviation.-PPI. [Text] [Islamabad THE MUSLIM in English 12 May 80 p 3]

NEW BUDGET--Faisalabad, May 10: District Council Faisalabad has announced its budget for 1980-81 wherein a record amount of Rs. 33 million has been earmarked for development expenses which is twice as much as last year's allocation on this head. Out of this Rs. 15.3 million has been kept for construction of new roads measuring 60 kilometre, while 4.5 million would be spent on education and another amount of Rs. 4 million would be utilised for installation of 80 tubewells. A further amount of Rs. 3 million will be spent on dispensaries and Rs. 1.5 million on veterinary centres. Meanwhile, development work in 33 'Kachi Abadis' of Faisalabad would be completed by March 1981, this was disclosed by Director General F. D. A. Brig (Rtd) Saad Ullah Khan in the course of meeting which was presided over by Commissioner Sargodha Division Hassan Raza Pasha and attended by Deputy Commissioner Faisalabad. It was stated in the meeting that a large number of schemes are under way. The F. D. A. Chief said the schemes include modern residential facilities and Shopping Centres. Two such markets are being constructed on Sheikhupura Road and Millat Road. The authority proposes to lay out 11850 residential plots. [Text] [Islamabad THE MUSLIM in English 12 May 80 p 5]

IRRIGATION SCHEMES APPROVED--The Board of Directors of PATA Development Corporation in a meeting approved 17 irrigation schemes at a total cost of Rs. 24.41 million for implementation in the tribal areas. The schemes would benefit Kurram, North Waziristan, South Waziristan, Orakzai agencies as well as F.R.D.I. Khan. In Kurram Agency 8 irrigation schemes have been earmarked which would be completed at a total cost of Rs. 14.91 million and would cover an area of 6980 acres. Similarly in North and South Waziristan agencies Rs. 5.89 and 0.85 million would be spent on 5 and 1 schemes to benefit 1750 and 118 area of land respectively. In Orakzai Agency one scheme has been approved which would cost Rs. 0.87 million and 250 acres of land would be provided with irrigation facilities. Similarly F.R.D.I. Khan would have 2 schemes for Rs. 1.93 million and would bring 300 acres of land under irrigation. [Text] [Peshawar KHYBER MAIL in English 1 May 80 p 6]

CRIME RATE DECLINES--Jeddah, May 11--Pakistan's crime rate declined by 36 percent as a result of introduction of the Islamic Sharia penal code, Pakistan Minister for Interior and Religious Affairs Mahmood Haroon said in an interview published here yesterday. He told English daily Arab News that in most areas crime rate declined sharply while in some places crime disappeared completely. He said "We have not as yet applied any of the Sharia punishments like flogging in public or execution by beheading. The fact that we might have to do this in case of serious crimes has been an adequate deterrent against committing offences of his kind". Cases of flogging which were highlighted in the foreign Press were actually those ordered by courts other than the Sharish courts, the Minister added. The Minister said the judiciary in Pakistan was entirely free and independent and it was not true at all that it could be tampered with by the Government. The courts went as far as to challenge the legality of the Martial Law Government itself but then justified it on the grounds that it was necessary because of the near breakdown of law and order under the previous regime, he said adding the army was justified in seizing power a order to restore security and stability.--IIMA. [Text] [Karachi MORNING NEWS in English 12 May 80 p 1]

TRAINING SKILLED WORKERS--Lahore, May 8: The National Training Board is organising a number of courses to train skilled and semi-skilled workers as well as supervisors in big cities to meet the high demand for trained manpower in the country, it was learnt. The courses which will be held at Karachi, Lahore, Rawalpindi and other cities are being organised by the board, which is supported by the Federal Programme for Skill Development, a Government-ILO/UNDP project. These courses were being organised in view of the acute shortage of trained manpower due to emigration of labour, which has become the largest export industry, and help improve industrial productivity and boost national economy. A course is being held in Lahore in collaboration with the Pakistan Industrial Employers Federation from May 24. The course will impart training in how to assess the training needs of the company, how to organise and monitor such training, and how to evaluate training by the management. A modular training system will be used which has partly been developed in Norway and partly in Iran by Mr Finn Taiteth, an ILO expert. Mr Taiteth will be conducting the course.--APP [Text] [Karachi DAWN in English 9 May 80 p 5]

TRACTORS TO BE MANUFACTURED--Lahore, May 8: The Federal Minister for Food and Agriculture, Rear-Admiral Mohammad Fazil Janjua, has said the Government has decided to pick up at least two types of popular tractors for manufacturing in the country, one in the public sector and the second in the private sector. He was delivering his inaugural address at the first annual convention of the Pakistan Society of Agricultural engineers here today. He said the standardisation list of a tractors contained over a dozen makes of tractors two years ago, which was restricted to five only now to ensure greater availability of spare-parts as about 20,000 tractors were being imported. The Federal Minister said the establishment of an Agricultural Engineering Research and Development Division in the Pakistan Agricultural Research Council had already been decided to undertake designing and development of farm implements and machinery suited to our needs. The

Government, he said, would encourage efforts and offer incentives to the local manufacturers of agricultural machinery.--PPI. [Text] [Karachi MORNING NEWS in English 9 May 80 p 1]

TRADE TEAM TO FAR EAST--A 10-member Pakistan's trade delegation will leave here for Singapore on May 17 on a month-long tour of the five far-Eastern countries to explore the market for a number of products. Mr. Abdus Sattar Chinoy, leader of the delegation, said on Wednesday that during their visit they would meet the importers, representatives of trade bodies and Government officials and exchange views on boosting export of textile, handicrafts, rape seeds, cakes and readymade garments, etc. He said that during their trip, they would cover Singapore, Hong Kong, Indonesia, Japan and South Korea. Mr. Chinoy said that there was great scope for enlarging the export of grey cloth to Singapore. Singapore, he said, was the main market for Malaysia, which was buying all requirements from there. He said that the two countries were so closely situated that goods could reach within 24 hours and on credit terms. He pointed out that direct export from Pakistan to Malaysia was handicapped by the absence of regular sailings of cargo ships. The leader said that Hong Kong was main buyer of Pakistani cotton yarn, lifting 60 per cent of the total exports. He said that due to recession, there was less import and hence direct contact was essential to give a fillip to the trade. Mr. Chinoy said that South Korea could be a big market for Pakistani cotton yarn. This market had not yet been tapped. He said that with proper salesmanship, there was all possibility of tapping this market.--APP. [Text] [Karachi MORNING NEWS in English 9 May 80 p 7]

MUSLIM JURISTS CONFERENCE--Islamabad, May 8: An international jurists conference of the Muslim states will be held here to consider, make assessment and suggest plan of action leading to establishment of a permanent International Muslim Jurists Commission. The Organisation of the Islamic Conference has accepted in principle, the proposal. A final decision about the date and duration of the conference will be taken after the Muslim Foreign Minister's Conference begins next week. The conference will be a part of the international Hijra programme. The international seminar on "the application of Sharif", held here in October last year, on a proposal by the President of Pakistan, had recommended the establishment of a permanent International Muslim Jurists Commission.--APP. [Text] [Karachi MORNING NEWS in English 9 May 80 p 10]

IRRIGATION SCHEMES' COMPLETED--About 80 per cent work on irrigation schemes costing Rs. 80 million has been completed in the province during the current financial year. The schemes envisages the construction of Thatta link canal, extension of minors and branches, construction of modulus, survey work and the strengthening of canal banks. The spokesman of the Irrigation Department said that all possible measures were being taken to further improve the irrigation system in Sind. On completion, the schemes would facilitate the adequate water supply to the growers particularly, settlers at the canal tailends, he added. He further said that the work on the current year's development schemes has been geared up, so that the remaining work could be completed by the end of June this year. For this purpose,

Provincial Additional Chief Secretary, Irrigation and Power recently held a meeting with the senior officials of his Department and discussed in detail the progress of the schemes. He has directed the field staff to ensure timely completion of the schemes and their proper implementation on completion. [Text] [Karachi MORNING NEWS in English 10 May 80 p 5]

EXPORT DISPLAY CENTRES--Under a Presidential Directive, a chain of export display centres is being set up at various important cities and towns in the country as well as in the premises of Pakistan missions abroad. Official sources have said, that work in this connection is in full swing at Islamabad, Peshawar, Lahore, Faisalabad and Multan. Much of the designing and decoration has been completed and exhibits have been collected. Likewise, the possibilities of displaying Pakistani products in the premises of Pakistan missions abroad are being explored. The Export Promotion Bureau is collecting information about the existing facilities available there, the area of the premises and products to be displayed having particular relevance to the taste of such markets. The Bureau has already planned to despatch exhibits to embassies at Dacca, Buenos Aires, Hong Kong, Amman, Dakar and Brazil. The list of items, to be despatched, is under preparation. Proposals for establishing display centres in Pakistani embassies at Kuwait, Belgrade, Colombo and Sydney are also under consideration.--APP. [Text] [Karachi MORNING NEWS in English 11 May 80 p 5]

UNDP GRANT SOLAR ENERGY--Lahore, May 10: The United Nations Development Programme is likely to give a half a million dollar grant to Pakistan to establish a modern solar energy laboratory for the cheap production of silicon photovoltaic cells at the Engineering University here. The fund is being arranged by Dr. I. H. Usmani, Inter-Regional Energy Adviser to the United Nations, at the request of the Energy Society of Pakistan. In a letter to the Society, Dr I. H. Usmani had said that solar energy was the key to energy supplies to rural areas on a decentralised basis, particularly through silicon photovoltaic cells. The cost of these cells could be brought down if Pakistan produced its own silicon and created a big demand for rural electrification through these cells. The allocation for the new laboratory is being made from interim fund specially created within the United Nations Development Programme for promoting research in science and technology in the developing countries.--APP. [Text] [Karachi MORNING NEWS in English 11 May 80 p 5]

CHINESE TEAM LEAVES--The six-member Chinese border trade delegation left here yesterday at the end of weeklong visit to Pakistan. In Gilgit, the delegation signed a new border trade protocol. The delegation here had meetings with the chairmen of Trading Corporation of Pakistan and the Export Promotion Bureau.--APP [Text] [Karachi DAWN in English 9 May 80 p 24]

CONCENTRATION ON BARANI AREAS--Lahore, May 5: The Punjab government has decided to concentrate on barani areas particularly in wheat sowing as its future strategy of the agriculture policy, APP has learnt. Estimates during the current harvest of wheat indicate that the real break through has been achieved in the barani areas where the wheat production has increased by three maund per acre as compared to that last year. During this rabi season, wheat was sown over an area of twenty lakh acres in the barani areas of the province. The barani areas during the wheat sowing were given special boost with the help of fertilizer and mechanical cultivation. A

large number of tractors were provided to the farmers in these areas on interest free loan basis, and for this purpose the government had diverted Rs. one crore from other sources. According to a study conducted by the government, the cost of production of wheat is also low in barani areas as compared to irrigated land and that is why the countries advanced in agricultural production concentrate on barani areas. The government has also provided cutting machines in the barani areas, which are doing well.--APP. [Text] [Peshawar KHYBER MAIL in English 6 May 80 p 9]

SAUDI AID FOR PAKISTAN--Islamabad, May 6: The Saudi fund for development has agreed to provide Pakistan assistance valuing 50 million dollars for Tarbela Dam repairs and modification project. The fund will also give 14.87 million dollars for the fertilizer terminal of Port Qasim. The agreement providing for the assistance for the two projects emanated from the negotiations between the Saudi fund and the Pakistan government. The negotiations were recently held in Riyadh at which a 3-member Pakistan team led by the Secretary of the Economic Affairs Division, Mr. Aftab Ahmed Khan represented the Pakistan government. A formal agreement on the assistance committed by the Saudi funds for development is expected to be signed here shortly. [Text] [Peshawar KHYBER MAIL in English 7 May 80 p 5]

WORKERS BACK FROM LIBYA--(From our Correspondent)--Karachi, May 6: The Government of Pakistan is understood to have decided to give preference in overseas employment to those Pakistanis who are being sent back from Libya, according to well-informed sources here. Already about 6,000 Pakistanis have returned from Libya according to an official source. A total of about 70,000 Pakistan nationals, who were employed in various technical and semi-technical jobs there, are to return to Pakistan. They include even those who were working with some of the foreign firms allowed to do business in Libya. The government is said to have established a Registration Cell at the Directorate of Immigration in Karachi for the purposes of their registration and for providing them alternate jobs in other foreign countries, including the Gulf States. It was stated that Government of Pakistan had tried its best to persuade the Libyan Government but it appears the efforts failed to achieve the desired objective. Officials, circles, however, would not like to elaborate on the situation. [Text] [Peshawar KHYBER MAIL in English 7 May 80 p 6]

SELF SUFFICIENCY IN CEMENT--Lahore, May 7: Pakistan is expected to achieve self sufficiency in its cement requirements by the end of 1981. According to sources six new cement plants have been set up in the public sector and three more would be set up soon. The location of the new plants would be Faisal (with a capacity of one thousand tons per day), Dandot (one thousand tons per day) and Thatta (one thousand tons per day). White cement would be produced in the Baikhal plant. Besides, the capacity of the Javedan and the Muntakhab plants would be doubled by the end of this year.--APP [Text] [Peshawar KHYBER MAIL in English 8 May 80 p 1]

SPORTING GOODS INDUSTRY--Sialkot, May 5: Pointing out that the local sports goods industry was on the verge of losing all foreign markets because of the

constantly deteriorating quality of its exported products, the Chairman of the local Association of Trade and Industry has emphasised the very pressing need of planned and speedy improvement. If the quality of our products does not improve, Mr. A. D. Bhutta warned a meeting of the Association, we will have a serious crisis on our hands. Regarding the shortage of mulberry wood, he disclosed that plantation had begun in the forests of Chichawatni, Piramwala (Khaneval), Pakhowal and Chhangi Manga, and that the shortage would be overcome in the near future. In an appeal for Government help, Mr. Bhutta called for abolition of all taxes for at least five years, exemption of machinery from import duty, opening of technical training centres which should also provide semi-finished goods like leather and wood, steps to promote cottage industries; separate labour laws for cottage industries, a ban on the export of wet blue leather and customs rebates for footballs and gloves made from artificial leather. At present, Mr. Bhutta concluded, the export of sports and surgical goods and musical instruments totalled Rs. 60 crore. [Text] (Lahore THE PAKISTAN TIMES in English 6 May 80 p 5)

CEMENT QUOTA RAISED—The State Cement Corporation of Pakistan has increased the allocation of cement of all major towns in the country in keeping with the increased demand of the commodity in the last quarter of the financial year, it was officially learnt in Lahore on Monday. The allocation for Karachi has increased from 60,000 tons to 75,000 tons per month. Lahore from 24,000 tons to 35,000 tons, Rawalpindi/Islamabad from 12,000 tons to 18,000 tons and Peshawar from 6,000 tons to 8,000 tons. The transportation of the stocks is being made on urgent basis both by trucks and by trains, from the factories. The sources said that the consumers, in case of any inconvenience in the procurement of cement, may contact the Sales Offices of the Corporation in various towns of the country or the Corporation Head Office at Lahore for immediate remedial action. All the stockists operating under the home delivery scheme have been asked to confine the sales to the areas demarcated for them. The supply zones of each stockist have already been notified. The consumers can, accordingly, procure cement from the stockists of their respective areas. The sources said that about 1,28,000 bags of cement were in transit to meet the shortage of the cement in the Lahore region.—APP. [Text] (Lahore THE PAKISTAN TIMES in English 6 May 80 p 8)

EXCHANGE EARNING—May 5: The State Bank may allow exporters to retain up to two per cent of their foreign exchange earnings in the foreign exchange account maintained with their respective banks in Pakistan. The State Bank is reported to have decided to provide this incentive to exporters but each case would be decided on merit. The cases for this facility are also to be recommended by the Chairman of the Export Promotion Bureau. The State Bank has informed the Federation of Pakistan Chambers of Commerce and Industry that it is prepared to consider individual cases for allowing remittances of commission outside the normal drill on the merits of each case, provided such applications are routed through the Chairman of the EPB with his recommendations. It may be mentioned here that this decision has been taken after the FPCCI had put forward the suggestion that exporters may be allowed two

per cent of the foreign exchange earnings in order to meet such expenses as payment of commission to the agents and other unforeseen expenditures in foreign exchange. This facility may be enjoyed by exporters in case of their exports to Socialist countries, particularly. [Text] [Lahore THE PAKISTAN TIMES in English 6 May 80 p 8]

WFP AID FOR RURAL UPLIFT--The Committee on Food Aid of the UN/FAO World Food Programme (WFP) has approved additional food assistance worth \$11.5 million rural development programmes in the North West Frontier Province (NWFP) and Federally administered Tribal Areas. The WFP supplied food commodities will be utilized as an incentive to attract and encourage seasonally unemployed and under-employed farmers and workers in self-help activities, such as construction of link roads, culverts, bridges, irrigational channels, flood protection devices. The project also envisages participation of rural women and school girls in skill development activities, such as sewing, knitting handicrafts, kitchen gardening and chicken rearing, over a period of three years. This project will succeed a similar project for which WFP provided food aid worth \$4 million and which is now nearing successful completion. [Text] [Lahore THE PAKISTAN TIMES in English 7 May 80 p 5]

RENOVATION OF OIL REFINERY--Abadan, May 4: The renovation and maintenance activities of the unity of catalytic cracker of the Abadan oil refinery has resumed operation since Saturday, announced the manager of the refinery. The unit will produce 17,000 barrels of supper gasoline, which would be increased to 26,000 barrels a day in near future. A crude oil pipeline and two pipelines for petroleum products, one gas pipeline which had gone out of order due to recent explosions, have been repaired and resumed work since Friday. The crude oil sent from Marun to Abadan oil refinery was 60,000 barrels a day. The Abadan refinery processes 440,000 barrels a day of oil at present and the decrease was due to repair work on the distillation unit. The production would reach its ordinary level after the resumption of activities of this unit, added the Abadan oil refinery manager.--Pers. [Text] [Peshawar KHYBER MAIL in English 5 May 80 p 3]

GAS SUPPLY REPORT COMPLETED--Quetta, May 4: A feasibility report on laying out Sui gas pipeline from Shikarpur to Quetta has been completed. According to official sources the survey and initial design alongwith feasibility report 349 kilometer 12 inches diameter Sui gas pipeline would cost 660 million rupees. It would ensure free flow of 45 million cubic feet of Sui gas daily for Quetta and six other cities and towns of Sind and Baluchistan. The pipeline would be so designed as to ensure more free flow of Sui gas as its demand increased in Quetta and enroute. Sui gas would give greater fillip to agricultural and industrial production in the province. He further said that the pipeline would take two and a half years to complete after the allocation of funds.--APP. [Text] [Peshawar KHYBER MAIL in English 5 May 80 p 2]

CSO: 4420

COLOMBO ECONOMIC PANEL CHIEF FOUND UNSUITABLE

Calcutta THE STATESMAN in English 7 Apr 80 p 6

[Text]

COLOMBO, April 6.—A select committee of Parliament, headed by the Prime Minister, Mr Ranasinghe Premadasa, has unanimously found Mr Upali Wijewardene to be "unsuitable" to hold the post of chairman and director-general of the Greater Colombo Economic Commission, reports UNI.

According to the newspaper Sun, the committee's report, running into 371 pages, published as a parliamentary document, has unanimously approved the appointment of all members of the commission.

Members of the committee include the Minister of State, Mr Ananda Tissa de Alwis, the Finance and Planning Minister, Mr Ronnie de Mel, the leader of the Opposition, Mr Muthalingam, and

Mr Maitripala Senanayake of Mrs Bandaranaike's Sri Lanka Freedom Party.

A millionaire credited in political weeklies with ambitions to become Sri Lanka's next president, Mr Upali (42) races horses in England, runs a number of companies in Singapore, Malaysia and Sri Lanka and flies his own aircraft.

The President has two courses open, according to the Tribune weekly: either to accept the unanimous decision of the select committee and ask Mr Upali to step down or to reject the committee's recommendations.

The latter course might cause the Prime Minister and members of the select committee to resign.

CSO: 4220

FACTORS BEHIND FUEL PROBLEMS NOTED

Calcutta THE STATESMAN in English 7 Apr 80 p 13

(Text)

COLOMBO, April 6.—The fuel crisis in Sri Lanka has of late become somewhat different from that faced by most other countries. The burden of frequent crude price increases aside, Sri Lanka is now faced with the twin problems of having refined gasoline it cannot sell and a shortage of auto diesel.

The State-owned Ceylon Petroleum Corporation now markets petrol at Rs 37.50 a gallon, diesel at Rs 19.50 a gallon and kerosene at Rs 13.50 a gallon. These prices reflect several increases effected since 1978. In December 1978 petrol was at Rs 15.50, diesel Rs 8.50 and kerosene Rs 3.50.

The corporation's refinery situated outside Colombo is designed to maximize the production of kerosene, aviation turbine fuel and diesel. Within this operational structure the refinery produces a minimum of 120,000 tonnes of petrol a year. Petrol sales prior to the 1978 price increase amounted to about 130,000 tonnes a year. When the price went up, from Rs 13.50 to Rs 20.00 annual sales dropped to 127,200 tonnes.

The corporation's figures show that it makes a handsome profit on the sale of petrol which enables it to offset the substantial losses incurred on subsidizing diesel and kerosene. The cost of production for petrol is Rs 18.10 a gallon.

Projections show that this year's requirements of auto diesel will be around 392,000 tonnes. To this has to be added the electricity board's requirements. Besides there is the diesel requirements of the on-going Mahaweli river diversion

scheme. The total annual needs of diesel is in the region of 650,000 tonnes whereas the refinery's maximum output of diesel is only 467,000 tonnes. The Government will have to import the balance 182,000 tonnes this year. The current import price of diesel is at about Rs 24.50 a gallon, as against the domestic production cost of Rs 17.50.

The drop in petrol sales has created a problem of storage. Unsold stocks are reportedly rising at the rate of 76 tonnes a day at which rate the refinery's entire storage capacity will be exhausted in four months. Exporting gasoline is not the answer because the country can offer no more than 10,000 tonnes at a time. There is little or no demand for such small "parcels" and the chances are that offers, if any, will be both low and uneconomic. The price offered will be below the refinery's current cost of production of Rs 18.10 a gallon.

The Government-appointed Fuel Conservation Committee has been considering the problem and has recommended an increase in the price of auto diesel, which will make it more costly than kerosene. The Petroleum Corporation's chairman, Mr Dhem Wimalasena, who is also a member of the Committee, disagreed with the recommendation. His view was that an increase in the price of diesel above kerosene would only lead to substitution and consequently to an increase in the demand for kerosene. The committee decided against recommending an increase in the price of kerosene because it is widely used as a cooking and lighting fuel.

CSO: 4220

BRIEFS

LOAN FROM INDIA--The Industrial Development Bank of India has agreed to provide a loan of 100 million rupees to the National Development Bank of Sri Lanka. This loan will be utilized by the National Development Bank to finance local industries to purchase heavy engineering equipment and other machinery from India. [BK101321 Colombo International Service in English 1045 GMT 9 May 80 BK]

CSO: 4220

BRIEFS

SPEEDPOST TO SOUTH AFRICA--Taipei, 25 Apr--The Republic of China and South Africa will initiate the bilateral speedpost service, starting 1 May, the directorate general of posts announced Thursday. Letter, documents, data and samples of no commercial value will be covered by the speedpost service, a spokesman said, adding that such service will ensure the arrivals of parcels within 5 days. [Text] [OW281142 Taipei CNA in English 0249 GMT 25 Apr 80]

FRENCH ECONOMIC MISSION--Taipei, 26 Apr--A three-member French mission, dispatched by the Institute Auguste Comte Pour l'Etude des Science de l'Action, is currently in the Republic of China investigating the nation's economic and scientific development, according to the Ministry of Foreign Affairs. The mission, led by A. Rodney, chief of the institute's research and development department, has met with officials of the Council for Economic Planning and Development, the Ministry of Economic Affairs, the National Science Council, and ROC's leading industrial firms. The mission is focusing its investigation on supply sources of scientific technologies, capital return on imported knowhow and the labor structure. The members of the mission are specialists in the construction, electronics, computer, automobile and chemical industries. They also serve as heads of R&D departments in firms such as Renault, the French car maker. The mission is scheduled to wind up its tour at the end of the month. [Text] [OW281113 Taipei CNA in English 0945 GMT 26 Apr 80 OW]

KUWAIT OIL PURCHASE--Taipei, 12 Apr--The government-run Chinese Petroleum Corp (CPC) will sign an agreement with the Kuwaiti Government for the purchase of 140,000 barrels of crude oil per day, retroactive from 1 April, according to CPC officials. This is 30,000 barrels more than Kuwait previously agreed to supply. According to the CPC, Kuwait will charge the original price of US dollar 27.50 per barrel for the first 40,000 barrels and US dollar 31 for the remaining 100,000 barrels. The new agreement makes for a price hike of over 14 percent. CPC officials said that its recent price hikes for petroleum products were only to offset previous losses incurred from sale of products at artificially low prices. All oil price hikes on the national market since January have been absorbed by CPC itself. As a result, the company has suffered a loss of NT dollar 1.3 billion (US dollar 36.1 million) for the first quarter of the year. [OW131337 Taipei CNA in English 1402 GMT 12 Apr 80]

OIL TAX CUT--Taipei, 10 Apr--Premier Y. S. Sun on Wednesday instructed Finance Minister C. C. Chang and Economic Minister K. S. Chang to immediately exempt the import duties and commodity tax of crude by 50 percent. The move is designed to ease the burden of Chinese Petroleum Corporation (CPC) and the general public so far as oil consumption is concerned. The ministries of Finance and Economic Affairs will revise its import duties and commodity taxes of crude and related petroleum products soon. Currently, the import duties of crude is 2.5 percent. After the 50-percent cut, CPC will have to pay only 1.25 percent of the import duties from its import of crude oil. The reduction of commodity taxes will also help CPC curb the payment of commodity taxes from the import of petroleum products. Between December 26 and March this year, the aggregate commodity taxes CPC should pay will approximately reach NT\$6 billion (U.S.\$166.66 million). This is a heavy burden for CPC, officials of the state enterprise indicated. After the reduction in import duties, however, CPC can save about NT\$2 billion (U.S.\$55.55 million) in tax payments this year. [Text] [0W111545 Taipei CNA in English 0938 GMT 10 Apr 80]

MOTORCYCLE IMPORT RESTRICTIONS--Taipei, 15 May--The government has decided to ban the import and manufacture of motorcycles over 120cc, according to official sources. The sources said the Ministry of Economic Affairs (MOEA) has informed manufacturers of the impending ban and has examined their production processes in an effort to assist them to shift production to other areas. The MOEA and the Ministry of Communications (MOC) are currently discussing details of the ban but as yet no decision has been reached as to the actual date of implementation. In order to minimize makers' losses, the MOEA said the manufacture of parts and components will be permitted and that orders received before the date the ban goes into effect can be filled. The MOC said the restriction is aimed at conserving fuel oil and added that it will not stop issuing licenses until imports and manufacture have been formally suspended. The government has recently adopted a series of measures aimed at conserving energy. These include the prohibiting of imports and manufacture of motorcycles over 150cc and diesel vehicles under 3.5 tons and 3,000 cc, as well as the suspension of issuing licenses for buses over 180 horsepower. [Text] [Taipei CNA in English 0946 GMT 15 May 80 0W]

TOYOTA JOINT VENTURE--Taipei, 15 May--The Toyota Motor Co. of Japan applied to the Ministry of Economic Affairs Thursday for entering into a joint venture with three local companies for the production of cars in the Republic of China. Toyota is the second Japanese auto manufacturer which has applied for investment in the auto industry in the Republic of China since the government approved a plan to promote the development of auto industry in this country last August. The Tatung Co., Kwang F D [as received] Industry Co, and Ho Tai Motor Co. will join Toyota in the investment, which calls for a total outlay of US\$418 million dollars. A new automobile manufacturing plant will be set up by the end of 1983. The auto plant will have an annual producing capacity of 200,000 automobiles of 1,000 to 1,800 cc 6 years after it becomes operational in early 1984. About 50 percent of the production will be exported mainly through Toyota's sales network in the world. [Text] [Taipei CNA in English 1347 GMT 15 May 80 0W]

THAILAND

EDITORIAL FEARS FUND CUTOFFS FOR REFUGEES

Bangkok SIAM RAT in Thai 1 Apr 80 p 5

[Editorial: "The Refugee Problem"]

[Text] A matter that can be discussed endlessly is the matter of refugees entering the country. As the days go by, the refugee problem is becoming just as serious as the drought problem, the economic problems and the other problems confronting the government.

Thailand has already allowed almost 200,000 refugees to enter the country. Almost all of the refugees are people who crossed the border from Indochina, coming from Vietnam, Laos and Kampuchea. When the previous government set an open-door policy and allowed them to enter the country, it gave further encouragement to those who were preparing to flee and great numbers crossed the border into Thailand. The refugees in Thailand lead very comfortable lives and they may lead more comfortable lives than the Thai people. They are given food for three meals a day and they have a place to live, new clothes and large quantities of medical drugs. There are very large numbers of Thai people who are probably not as fortunate.

Although aid for the refugees at first poured in from various countries that were very concerned when the crisis in Indochina arose, the crisis had its own limits. Because other crises have arisen elsewhere in the world, the interest of these people in the old problems has declined, they have reduced their aid and they are donating less and less money for the refugees.

This money will soon be exhausted but the lives of these hundreds of thousands of refugees will not stop with the end of the money. These people will be a burden on the Thai people, who will have to continue caring for them.

if for no other reason than idealistic principles. The world likes to talk about humanitarianism but it is just talk. They do not say what they will do to help the refugees to help lighten the burden of the Thai people.

This problem is becoming a serious problem for us since it has been disclosed that the fund established by various countries to help these refugees has not had any money added to it and that it will be exhausted by the end of April.

Whoever forms a government must, if they are concerned about the future security of the country, immediately give attention to solving the refugee problem right now. At the very least, if there is presently no way to get these people out of the country, we should not allow the effort made to support the refugees to be wasted or allow the effort to make the population problem worse for the Thai people. Instead, they should be compelled to work on one of the many national public work projects with the condition that compensation for the labor be a special case. There should be limits to the comfort given to these refugees who depend on others. The burden should not be placed entirely on the Thai people, who presently have very serious problems of various sorts.

11943
CSO: 4207

THAILAND

INVESTIGATION PROMISED OF GUERRILLA 'ATROCITIES'

Bangkok SIAN RAT in Thai 4 Apr 80 pp 1, 12

[Article: "Two Generals Sent to Investigate the 'Special Guerrilla Forces' Matter. The Deputy Minister of Interior Says That Abolishing This Unit is a Method of Last Resort"]

[Text] The deputy minister of interior has stated that concerning the problem of the special guerrilla forces, about which ther there has been news that has caused trouble in the south, the role played by these soldiers is being reviewed by the army. However, abolishing these forces should be done only as a last resort. At the same time, the deputy commander in chief of the army disclosed that two groups of officials had been sent to investigate the matter.

During an interview yesterday, Mr Banyat Bantadtan, the deputy minister of interior, said that the story of Democratic Party representatives disagreeing with the commanding general of the 4th Army Area and joining together to request that the commanding general be replaced is apparently not true and this matter of a general being removed should not be handled in such a boisterous manner. However, differences of opinion may arise and this is only natural. When there is confusion, the people may ask their representatives, as their representatives, to clear up matters and the representatives must take the matter up with the government.

As for the news of special guerrilla forces creating trouble for the people of Phathalung Province, the deputy minister of interior stated that General San Chitpatima, the deputy chief of staff of the army, had sent a group of officials to learn the facts. And it is believed that higher-echelon military authorities will also investigate this matter and

review the control of these soldiers so they remain within the bounds of their duties. But it should be observed that, in sending officials to learn the facts, the investigators must find out the reactions of the people too. As for solving the problem by abolishing this special guerrilla force unit, Mr Banyat stated that this should be the method of last resort. Before this is done, it would be better to look for ways to improve the unit.

At the same time, from another side, General San Chitpatima, the deputy chief of staff of the army, disclosed that he had sent two groups of officials to investigate the matter concerning the special guerrilla forces in the south. An officer with the rank of general is in charge of both groups. He emphasized that the government and the Internal Security Operations Command are both very interested in this matter. As for what will be done to improve things and solve the problem, it is an internal administrative matter.

As for the matter involving Lieutenant General Chuan Wannarat, the commanding general of the 4th Army Area, and the reports that a group of representatives have sent a note [to the prime minister] requesting his removal, the deputy chief of staff of the army said that "Chuan has always carried out his duties in an excellent manner and he has always been very diligent; this is his background."

11943
CSU: 4207

THAILAND

IRREGULARITIES ENRICH PROVINCIAL MILITARY RECRUITERS

Bangkok SIAM RAT in Thai 4 Apr 80 p 8

[Article by Pricha Inthawirati: "The Military Draft Period Provides an Opportunity for Military Recruiters to Make Money"]

[Text] It is well known that around April every year, some military recruiters in various districts and provinces have a great opportunity to make money from the military draft.

Every year at this time, if a person does not try to make some extra money in this way, his family and friends may blame him for his stupidity.

Formerly, the job of district military recruiter was a job that young people dreamed about obtaining because in just a few years it was possible to become very rich, even though the person was only a private or corporal. If he had a higher rank, how much richer could he become? Everyone can easily imagine the answer.

Even though officials and the people all knew about this group's way of making money, no one seems to have given any thought to putting a stop to this. Instead, such people were allowed to engage in much corruption until the time when a very strict colonel took over as the head of a section of the Government Workers' Performance Inspection Committee. He could not bear the constant complaints of the people about this open corruption and meted out harsh punishments to those officials involved in military draft corruption.

The result that year was that several high-ranking people were sent to prison with sentences of several years. Such people were vigorously suppressed at that time. This scared the other military recruiters.

Thus, this job, which had once been the dream of young men, lost almost all of its meaning.

A few years later, the Ministry of Defense changed its method of recruiting soldiers. No one knew who was to be in charge of supervising the military draft in which province every year until the morning when the list of names was announced and they left for their respective areas.

This method, which prevented people from getting money ahead of time, worked well for a time but later all the old practices were engaged in again. Even though the lists were not opened until the morning the recruiters were to leave, they did not have to worry since their agents had already contacted those people who did not want to be soldiers.

When their superiors came, they "put on a show" for them at work during the day but in the evening they divided up the money according to the responsibilities and position of each of them. After dividing up the money, they went to bars and restaurants, gambled and had a good time.

The difference in corruption between those who have a chance and those who do not is the important gap between the rich and the poor, a gap that is already very wide and that is growing wider every day.

The result of Thailand's military draft system is that the country's army recruits only the weak who have little money. As for those in a better position, they find ways to pay money to escape having to become soldiers. The amount of money that a person must pay to stay out of the army varies from year to year depending on the economic situation.

When the farmers receive only 450 baht per 2,000 liters of rice, the amount paid to a military recruiter falls 3,000 baht. During times of inflation when goods are expensive and when the price of gasoline rises, these people demand a greater amount.

None of them will now accept only 1,000 baht. The amount is now 10,000 baht per person.

And if there are about 300 people in a district who do not want to be soldiers, if each pays 10,000 baht, you can see how much money these officials will make. If there are about 20 officials, you can calculate how much each one will make.

And this is just for one district! There are several districts in a province and, therefore, the amount of money they make will be several times this.

Before a military draft, the Ministry of Defense issues announcements warning the people about their methods and tries to find ways to help protect the people but to no avail. Those people who are unwilling to be drafted hurriedly try to raise tens of thousands of baht. It is very easy to help those who are unwilling to become soldiers. If a person's height is just above that required, his height will be recorded as being just below that required. "He is not tall enough." But if the person is completely healthy and the official cannot help him, he will have an official in the medical section certify that the person is suffering from an appendicitis.

Yes. Countless comical methods such as these are used.

It is difficult to suppress corruption in Thailand because the "important people" in Thailand do not pay any attention to corruption. They are aware that this section engages in corruption but they do not give any thought to suppressing it, allowing it to grow like a cancer, since they think that things have been like this for many years. And whenever they do think about suppressing the corruption, they face great difficulties. They see stacks and stacks of documents documenting cases of corruption and feel "faint." There is no way for those who engage in corruption to conceal their crimes. Sometimes they try to destroy the documents by burning them, such as when they burned [the offices of] the police registration division.

This year's military draft season is beginning.

The time when the military recruiters try to make money is almost here. Their families are waiting at home while poor families are selling their cattle and buffaloes and everything else they can in order to give the money to the military recruiters.

The "important people" in the government are making announcements about suppressing corruption.

But when the military draft is completed, the officials divide up the money among themselves and are wealthier than ever. This sad event occurs every year.

Does the country have to be almost on the brink of destruction before people really think about suppressing corruption, Mr prime minister and the sleeping giants of P.P.P.?

THAILAND

REPRESENTATIVES' APPEAL FOR REMOVAL OF GENERAL CRITICIZED

Bangkok TAWAN SIAM in Thai 5 Apr 80 p 2

[Editorial: "Representatives and Regular Government Officials"]

[Text] Recently, there was a report that a group of southern representatives to the House of People's Representatives who are members of the Democratic Party wrote a note to General Prem Tinsulanon, the prime minister and minister of defense, asking to discuss whether Lieutenant General Chuan Wannarat, the commanding general of the 4th Army Area, was fit to continue in his position as commanding general of the 4th Army Area.

The reason that the representatives sent the above note to General Prem Tinsulanon is, they say, because of their belief that the present commanding general of the 4th Army Area is not capable of satisfactorily solving the problems of the southern provinces, such as the problem of the special guerrilla forces, a problem that the people are becoming disatisfied about. Therefore, it is felt that the prime minister should give attention to this problem and quickly solve it before the dissatisfaction of the people grows ever greater.

Our understanding is that the southern representatives, who are members of the Democratic Party, are unhappy and have requested the prime minister to discuss the matter of the commanding general of the 4th Army Area because of the matter of special guerrilla forces killing eight people in Phathalung Province. Some representatives have proposed that administrative procedures be improved or that the special guerrilla units be abolished but Lieutenant General Chuan Wannarat, the commanding general of the 4th Army Area, does

not agree, saying that the matter that has arisen is an internal matter. The police have already arrested one man and, in reality, the unit mentioned above does more good than harm. The communist terrorists, in particular, are very afraid of this unit.

The request from the representatives that the commanding general of the 4th Army Area be replaced may stem from the good intention of satisfying the people, some of whom may have the best interests of the country at heart, but we do not think things have been carried out in the proper way because the position of commanding general of that army area is a high-echelon military position. Before it becomes a matter appropriate for the government to handle, if it later appears that things have not been handled correctly or that if mistakes have been made, it is the duty of the minister of defense to take responsibility before the House of People's Representatives. Representatives, who are politicians, should not interfere or directly request that any government official be replaced.

11943
CSO: 4207

THAILAND

TAX ON TAPIOCA EXPORTERS

Bangkok DAO SIAM in Thai 4 Apr 80 pp 3, 12

[Article: "European Community Takes Stern Measures Against the Tapioca Merchants"]

[Text] Mr Phachorn Isarsen, the director-general of the Department of Foreign Trade, stated that in order to improve the quality of the tapioca products exported to the European community and not allow the products to be adulterated, the Department of Foreign Trade has issued a regulation requiring the exporters to make a deposit of 400 baht per ton as guarantee on the tapioca products. If the exporters export adulterated tapioca they will lose their deposit and the European community will raise the tax 3,000 baht per ton. The European community will do this if they think animal feed has been mixed in. But if the product has not been adulterated, they will label the product a staple and set the tax at only 60-80 baht per ton. By requiring a deposit of guarantee, it is believed that the European community will feel more confident about Thai tapioca products. During the past period, large quantities of adulterated tapioca products were exported to the European community. The European community imposed penalties for this by increasing the tax. Importers were unwilling to pay the surtax of 100 percent of the cost of the goods and instead bought such products from other countries that exported good-quality products.

Besides this, the director-general of the Department of Foreign Trade disclosed that the European community has proposed that the export tapioca be controlled by having the Thai government require the exporters to make a deposit of 30 baht per ton with the Control Division. If adulterated tapioca from Thailand is found, money from this fund can be turned over to them as

compensation. The director-general of the Department of Foreign Trade does not feel that this would be fair to the exporters who are honest since they would have to pay such compensation along with the few dishonest people. Thus, the regulation requiring a deposit of guarantee has been issued and this will force the merchants to be more responsible for their goods.

11943
CSO: 4207

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